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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

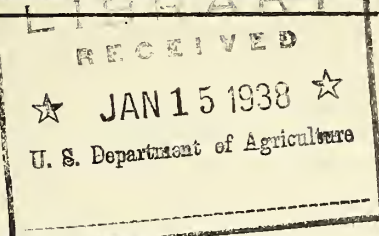
A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 5, 1938

Vol. 18, No. 1

MANY FARM PROBLEMS

"PRESS FOR SOLUTION"



Economic and social problems which "press for solution" in agriculture were outlined this week by A. G. Black, Chief of the Bureau of Agricultural Economics in his annual report to the Secretary of Agriculture.

Doctor Black reviewed the gains of the past 5 years - the rise in farm income, the reduction of farmers' debts, the rise in farm real estate values. Costs of farm production increased less than the gains in farm income during the period, but "costs are rising more rapidly now," he said. "Farm taxes are rising; farm machinery and repair costs are higher; farm building costs are up."

Discussing economic and social problems, Doctor Black said "the menace of recurring surpluses and of consequent economic losses has not been removed." He cited in point the situation as to cotton, resulting in Government action to stem the tide of shrinking cotton prices. And the 1937 gain in the income of wheat growers, he said was "largely the fortuitous result of relatively small harvests outside the United States.

"It must be obvious," he declared, "that the economic unbalance of agriculture cannot be righted by spasmodic action alone. A permanent program must be worked out in the national interest to offset by means of crop insurance, ever-normal granary, or other systems the vagaries of nature in alternately making and destroying crops. A few seasons of excessive production or a few seasons of heavy crop losses might well mean the loss of much of the economic gain which has been won by farmers in the past 5 years."

The report reviews the Bureau's economic research, service and regulatory work during the past year, as related to current agricultural economic and social problems. A limited number of copies of the report are obtainable from the Bureau of Agricultural Economics, Washington, D.C.

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NEW YORK GROUPS WANT

"PEASE LAW" REPEALED

Representative members and officers of 4 New York State growers' organizations met with New York Department of Agriculture Commissioner Noyes at Albany last week to consider the activities of the Department and to suggest ways to improve its services to farmers. The group urged the repeal of the Peace Act which was passed by the 1937 Legislature, requiring that fruits and vegetables shipped into New York State be marked according to the United States grades. They condemned the statute as

"discriminatory and against the best interests of New York growers, in that the Act established a trade barrier and is unenforceable." New legislation was suggested to limit the use of second-hand containers and sacks bearing the name of the original owner or original brand to prevent misrepresentation and fraud. Amendments to the weights and measures law were suggested to make the law conform with the Federal standards act.

Increased funds were requested to provide a larger force of shipping point inspectors and to enable the Department to assign inspectors permanently in the heavier shipping areas. The objective is better enforcement of potato grades, particularly as relating to cull potatoes. Additional educational work was requested concerning the New York State apple grades. The extension of the licensing and bonding provisions applying to commission merchants to include produce dealers was advocated.

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NORTHEASTERN DAIRYMEN TO CONFER ON PROBLEMS

Problems that confront the Dairy farmers of the 12 Northeastern States will be discussed at the Northeastern Dairy Conference in annual session, January 24 and 25, at Hartford, Conn. A critical review of State milk control and of recent developments in the markets of New York and Boston will be high lights of the program.

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NORTH CAROLINA USING FEDERAL PEANUT GRADES

The North Carolina Department of Agriculture announced recently that "for the first time in the history of the peanut industry, peanuts are being bought and sold in large quantities on the basis of Federal grades under the direction of the North Carolina Department. Twenty-three State inspectors at 17 receiving points in Eastern North Carolina are working night and day," the announcement continued, "in an effort to educate and help the peanut growers whose products are being purchased by the Peanut Stabilization Corporation."

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MISSOURI RULES ON SEED "CONTAINERS"

Commissioner Jewell Mayes of the Missouri Department of Agriculture reported this week a ruling by the Attorney General of Missouri on the word "container" in the new Missouri seed law, which went into effect January 1, 1938. Labeling requirements for "vegetable seeds" in the law stipulate that "each separate container of vegetable seeds*** shall be clearly and plainly labeled in the English language." The Attorney General has ruled to the effect that a label is required on "each separate container of vegetable seeds, whether of thimble or barrel size." Commissioner Mayes said the ruling provides that each bag, package, or 5 or 10-cent package of vegetable seeds must be labeled.

BROCK ELECTED PRESIDENT
COMMISSIONERS ASSOCIATION

A. A. Brock of the California Department of Agriculture is President of the National Association of Commissioners, Secretaries and Directors of Agriculture, for 1938.

Commissioner Nathan Mayo of Florida is Vice-President, and Commissioner Jewell Mayes of Missouri is Secretary-Treasurer. There are 7 District Vice-Presidents: Director Burton K. Harris of Rhode Island, Secretary J. Hansell French of Pennsylvania, Commissioner W. Kerr Scott of North Carolina, Commissioner R. J. Goode of Alabama, Commissioner John B. Strange of Michigan, Director Louis Buchholz of Nebraska, and Director W. C. Sweinhart of Colorado.

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MAINE "UTILITY" POTATOES
"CULLS" IN CONNECTICUT

Commissioner Olcott F. King of the Connecticut Department of Agriculture recently announced that "steps have been taken to protect Connecticut consumers and potato growers from the new grade ('Utility') just established by Maine."

The Commissioner stated that "inasmuch as Maine has had in operation United States grades the same as those used by Connecticut growers", he feels "it is quite possible that the new 'Utility' grade will necessarily have to be marked as 'Culls' when sold in Connecticut, due to our grade standards and the compulsory marketing of all cull potatoes which are of a grade inferior to the United States grades."

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CALIFORNIA, OTHER STATES
REPORT GOOD FARM INCOME

The California Department of Agriculture announced this week that "the total of farm income in California for 1937 will equal, if not exceed the total of 1936, which would mean that California had another \$600,000,000 crop year." A factor cited as "undoubtedly" contributing to the "better condition of agriculture in this State was the operation of various Federal and State marketing laws. As regards milk, the various markets have been stabilized to a remarkable extent and milk 'wars' have all but disappeared from our economic situation."

The Minnesota Agricultural Extension Division announced that "Minnesota farm income for 1937 will total approximately \$205,000,000. This is slightly above the 1936 income and the highest since 1930." The New Jersey Department of Agriculture said that "New Jersey's cash income in 1937 was approximately \$80,000 higher than in 1936. The income from crops, livestock and livestock products (Government payments included) was \$90,893,000 as compared with \$90,813,000 in 1936."

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AUCHTER APPOINTED CHIEF
PLANT INDUSTRY BUREAU

The appointment of Eugene C. Auchter as Chief of the Bureau of Plant Industry of the United States Department of Agriculture was announced

last week by Secretary Wallace. Doctor Auchter succeeds Frederick D. Richey, who resigned to engage in professional corn breeding. Doctor Auchter had been Assistant Chief of Bureau since 1934. In 1928 he came to the Bureau from the University of Maryland to head the Division of Fruit and Vegetable Crops and Diseases.

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CHANGES IN FARM MORTGAGE
SITUATION ARE REPORTED

A study of the changes in outstanding farm mortgage loans of leading lending agencies from 1930 to 1937, and of the growth in their acquired farm holdings, was reported recently by the Bureau of Agricultural Economics.

Normal J. Wall, author of the report, stated that this 7-year period of rapid reduction in total farm mortgage indebtedness was marked by a continuous increase in the amount of assets held by lending agencies in the form of farm real estate. These farms were acquired through liquidation of loans by foreclosure or assignment of title to the mortgage holder.

The large volume of farm acreage in the hands of lending agencies awaiting future sale may be a factor, it was stated, tending to hold down any rapid rise in farm land prices, since the farms acquired either through foreclosure or assignment represent an added supply of farms for sale over and above those normally offered for sale by individual owners.

Copies of the report are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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THE INDEX of prices received by farmers for their products stood at 104 percent of prewar in mid-December, 3 points lower than a month earlier, 22 points below a year ago, and 27 points under the January 1937 high, according to the Bureau of Agricultural Economics. Grains and dairy products were the only groups of farm commodities on which higher prices were recorded during the month ending December 15.

THE CALIFORNIA Department of Agriculture has scheduled 2 public hearings to be held at Los Angeles, January 14 and 15, in connection with the proposed establishment of resale prices of milk to consumers under the Desmond resale price-fixing bill, and the proposed reduction in prices paid to milk producers of the Los Angeles Marketing area under the provisions of the Young Milk Control Law.

A GRAPHIC SUMMARY of farm labor and population was issued this week by the Bureau of Agricultural Economics. It shows a reduction in number of hired farm hands in recent years, and states that whereas farm wages in 1929 were 70 percent above pre-war, wages in the summer of 1937 were only 23 percent above pre-war. Opportunity for farm employment fell off one-third from 1929 to 1933 and has not yet fully recovered, the Bureau said.

LARGER feed supplies, an increased demand for milk, higher prices for dairy products, some increase in milk production, and more cows typify the outlook for New York dairymen, according to the New York College of Agriculture. The use of milk was reported as increasing, as indicated by receipts at the New York market.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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SECOND MORTGAGES

"START LAND BOOMS"

JAN 22 1938 ★
U. S. Department of Agriculture

Blame for land booms, which are inevitably followed by disastrous debts among farmer-buyers, was laid at the doorstep of the "second mortgage lender" in an announcement this week by the Iowa Extension Service. It was asserted that "booms are financed not by such first mortgage agencies as insurance companies and banks, but by second mortgage lenders, principally private individuals, former land owners, and others speculating in land."

Figures compiled in Story County, Iowa, were cited to show the "minor part played by first mortgage lenders" in developing land booms. In 1920 when the last major land boom hit its peak, insurance companies were lending only 29 percent of the sale price - which meant that over 70 percent of the price was being financed by junior mortgages and cash. During the period from 1900 to the boom, these companies kept their advances down to a percentage roughly one-third of current value.

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NEW HAMPSHIRE OPENS

EGG AUCTION MARKET

Reorganization of an egg auction market at Derry, New Hampshire, on a cooperative basis which will meet the requirements of the Capper-Volstead Act for cooperatives was recently announced by the New Hampshire Department of Agriculture. The association operating the auction has a membership of 1,200 poultrymen in New Hampshire and Vermont. The auction is one of a number which have been organized in eastern States in recent years. The reported successes of these auctions in securing premiums for high products suggest continued expansion of the movement.

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LOUISIANA SEEKS TO

EXPAND DAIRY INDUSTRY

Calling attention to the growth of the dairy industry in Mississippi the last 25 years, the Agricultural Committee of the New Orleans Association of Commerce is urging Louisiana farmers to enlarge dairy herds, and to establish creameries, cheese factories, and milk condensaries. It is stated that "if the opportunities are developed to the fullest, the growth of the dairy industry in Louisiana should be as phenomenal as that of Mississippi." Twenty-five years ago, Louisiana had 1 small creamery. Now there are 24 creameries, 14 cheese plants, and 4 large milk condenseries in the State.

NORTH CAROLINA URGES"FREEZER-LOCKER" GROWTH

Development of "freezer-locker" service for the cold storage of meats, fruits and vegetables by North Carolina farmers is being promoted by the North Carolina Extension Service. Farmers in 20 counties, it is stated, have expressed a desire for curing houses in which individual lockers may be rented on a monthly basis. Plans for providing curing service at Plymouth, North Carolina, are under way; and at Goldsboro a freezer service with individual lockers to rent for \$1 a month has been projected. The Extension Service says that in many places, it is possible for creameries and ice plants to add freezer-locker or curing house service without materially increasing overhead costs.

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MANY FARMERS USINGSMALL COMBINE-HARVESTERS

The New Mexico State College recently reported that an increasing number of farmers have been using the small combine harvester in recent years. The College says this machine "is the first combine to be built to meet the needs of the farmer of small or medium acreages and is well suited to the diversified farm through its ability to handle many different crops with few changes." The machine is said to have a capacity of 10 to 30 acres per day, depending on the kind and condition of the crop to be harvested.

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ILLINOIS URGES MOREUNIFORM MILK REGULATIONS

As a future development in milk marketing and distribution, producers and consumers in Illinois can expect more uniformity in health ordinances, especially for adjacent market areas, it was stated recently by B. F. Whitmore, Illinois College of Agriculture dairy extension specialist. In some areas where milk is produced for pasteurization purposes, ordinances cause some confusion and dissatisfaction, chiefly because of misunderstanding, Whitmore explained. But in some cases, he added, there may be the debatable question as to what constitutes satisfactory compliance.

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NORTH DAKOTA REPORTSON FARM TENANCY

A study of farm tenancy on 83,460 North Dakota farms and rental contracts on 400 farms has just been issued by the North Dakota Experiment Station. It reveals that about 39 percent of all North Dakota farms are operated by tenants, with tenancy highest where land is high-priced. The publication (Bulletin 289) contains 27 pages of statistics and text on the subject, and an appendix of the 10 essentials of a satisfactory farm lease. Copies are obtainable from the Station, at Fargo, North Dakota.

LOUISIANA PUBLISHES
GRADES FOR PECANS

Grades for paper shell pecans were published recently by the Louisiana Extension Service in response to requests for information regarding the marketing of these nuts. The Service explains, however, that most of the pecans produced in Louisiana are seedlings which are sold chiefly to shelling plants, and that there are no grades as yet for seedling pecans. The pecan shelling business was reported as having moved south in recent years. There is one shelling plant at New Roads, and one at New Orleans. The largest paper shell pecan grading plant in the State is at Shreveport.

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JERSEY FARMERS WARNED
OF SEED SHORTAGE

The New Jersey Extension Service announced this week that because suitable seed of alfalfa and red and alsike clover is comparatively scarce and expensive, New Jersey farmers face an "acute" situation in 1938. Farmers were advised not to use seed unadapted to Jersey's climatic conditions merely because it can be obtained cheaply. A slight reduction in the rate of sowing was recommended as an economy measure.

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CALIFORNIA DENIES DAIRY
DISTRIBUTORS LICENSES

Twenty-six dairy products distributors, situated mostly in southern California, were notified by the California Department of Agriculture this week that their applications for 1938 licenses under the Young Milk Control Law had been denied.

Five licenses were denied because of failure of applicants to post the bond required by law; the remainder were denied because the milk distributors "had failed to pay the two mill assessment required by the law to be paid in marketing areas where a stabilization and marketing plan has been established."

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FARM MORTGAGE BORROWING
DECLINED IN PAST YEAR

The Farm Credit Administration recently reported that "borrowing on farm mortgages continued to decline (in 1937) indicating that farmers in most areas are in better financial position and that creditors are not pressing for collection of farm debts." Total loans through institutions operating under the Farm Credit Administration aggregated \$653,000,000 in 1937 compared with \$677,000,000 in 1936. Most of the new money borrowed by farmers during the past year was used - as in 1936 - it was stated, for crop and livestock production and for other short-term purposes.

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"The Outlook for Agricultural Exports", an address by L. A. Wheeler at the meeting of the American Farm Economic Association at Atlantic City, N. J., December 28-30, is obtainable from the Bureau of Agricultural Economics.

NEW PRODUCTS ADD
TO FARMERS INCOME

The results of plant research during the past year, intended to increase agricultural efficiency and therefore farm income were described in the annual report of Frederick D. Richey, Chief of the Bureau of Plant Industry, recently issued. Specific achievements noted in the report include progressive improvement of hybrid seed corns, introduction for the Kansas area of a new red oat that outyields the standard variety by nearly 10 bushels, rapid development of one-variety cotton communities, a notable increase in the proportion of cotton with a staple of more than 1 inch, distribution for testing of six superior edible varieties of soybeans, continued improvement of sugar beets resistant to curly top, a better method of propagating apple trees, and advances in methods of cooling, shipping, and storing fruits and vegetables. Copies of the report are obtainable from the Bureau of Plant Industry, Washington, D. C.

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CHEMISTRY BUREAU SEEKS
NEW INDUSTRY USES

The finding of new and wider industrial uses for farm products, by-products, and surpluses was described in the annual report of Dr. Henry G. Knight, Chief of the Bureau of Chemistry and Soils, recently issued. It was stated that last year 420,000 pounds of sweetpotato starch were produced commercially at Laurel, Miss., by a method developed by the Bureau. Other activities cited included improvement in the quality of sorgo and sugarcane sirups, research to extract tannin from hemlock bark, the determination of amino acids in foods, the development of a process for converting egg-white foam (formerly a waste by-product of the egg-drying industry) into dried egg, and development of a new laboratory method for identifying steam-distilled wood turpentine and distinguishing it from gum spirits of turpentine.

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A NEW BULLETIN containing a digest of the functions and services of the Pennsylvania Department of Agriculture is obtainable from that Department at Harrisburg, Pa.

MILK CONSUMPTION per capita in cities and villages (cream is included in terms of its milk equivalent) was estimated this week by the Bureau of Agricultural Economics to have been 38.2 gallons in 1936. This compared with 37 gallons in 1935, and with 36.1 in 1934.

"CONSUMPTION and Production of Tobacco in Europe" is the title of a technical bulletin recently issued by the Bureau of Agricultural Economics.

A DROP of 15 points in the index of farm wage rates during the last quarter of 1937 was reported this week by the Bureau of Agricultural Economics. The decline was more than twice the average seasonal amount of recent years. Despite this drop, however, farm wage rates averaged 120 percent of pre-war for the entire year 1937, or the highest annual average since 1930.

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☆ JAN 29 1938 ☆

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U. S. Department of Agriculture

FEDERAL OFFICIALS RULE ON POTATO "TOLERANCE"

The Federal Food and Drug Administration recently ruled that interstate shipments of potatoes having more than 11 percent serious damage by concealed defects such as hollow heart and net-necrosis would be considered as adulterated and subject to seizure. On January 14 the Maine Department of Agriculture amended its new "Utility" potato grade requirements to conform with the Federal ruling. The "Utility" grade had allowed more than the 11 percent tolerance.

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"ROUGH HANDLING" CAUSES CATTLE MARKETING LOSSES

Illinois farmers are said to lose annually more than \$500,000 because of the rough handling of livestock in shipments to markets, it was reported this week by R. C. Ashby of the Illinois College of Agriculture.

Ashby said it is estimated that rough and careless handling causes damage which averages about 38 cents a head on cattle, 7 cents on hogs, and 2½ cents on sheep. Roughness in handling animals, in loading at the farm, in hauling them to market and in unloading after arrival at the market is responsible for bruised carcasses, he stated.

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DAIRY PRODUCTS CONSUMPTION - PRODUCTION CLOSELY RELATED

Despite ups and downs of business activity and consumer incomes during the past few years, consumption of dairy products in relation to production has remained practically constant, according to B. F. Whitmore of the Illinois College of Agriculture.

"Shifts from the use of one dairy product to another may accompany changes in payrolls and consumer incomes, but such changes have practically no effect on total consumption of all dairy products," Whitmore said.

Information compiled by the United States Bureau of Agricultural Economics shows that since 1900 there have been only 7 years when consumption of manufactured dairy products differed from production by more than 2 percent.

ELBERTA LEADING PEACH
IN NORTHEASTERN STATES

The New York Experiment Station recently reported that Elberta is still the outstanding commercial peach in 10 of 11 Northeastern States that grow peaches in any quantity, with Golden Jubilee second, and J. H. Hale third, according to ratings given to 86 varieties by horticulturists representing Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Delaware, Maryland, and West Virginia. The findings of the group have been summarized in a pamphlet entitled "Evaluation of Varieties of Peaches in the Northeast", obtainable from the New York Experiment Station at Geneva, N. Y.

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JERSEY REPORTS DEMAND
FOR CERTIFIED TOMATO SEED

Changes in the demand for different varieties of certified tomato seed in recent years have been reported by the New Jersey Department of Agriculture. The demand for Marglobe has been steadily upward since its introduction in 1927, the demand for Pritchard has increased since it was listed in 1933, and New Jersey plantings of a second recent variety, Rutgers, increased from 730 acres in 1935 to 1,001 in 1936. Varieties reported as declining in popularity are J.T.D., Bonny Best and Baltimore.

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CITES HAZARDS OF
POULTRY BUSINESS

The Massachusetts Extension Service recently issued a warning against going into the poultry business without full consideration of the difficulties which may be encountered. The poultry business in Massachusetts is keenly competitive, it was stated, and requires a large investment.

A 30-percent increase in "poultry population" in the State since 1930 was reported. The premium price for local eggs has practically disappeared, it was stated, so that poultrymen must plan on receiving about the same price that western producers receive.

The Service stated that poultry account studies have shown that the best paying part of the poultry business is the sale of baby chicks. But the baby chick business is limited and will not stand much greater expansion, it was pointed out. The same situation was presented as to the sale of hatching eggs or the establishment of retail egg selling routes.

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CONNECTICUT ISSUES
GRADES FOR LAWN SEED

Grades for lawn seed were issued this week, effective February 1, by the Connecticut Department of Agriculture. "Gold Seal" is the top grade, "Blue Seal" is second, and "Red Seal" is third. Use of the grades is voluntary. Specifications are obtainable from the Connecticut Department of Agriculture, Hartford, Conn.

MECHANIZATION INCREASING ON FAMILY-SIZE FARMS

There is a strong tendency for engineering improvements to favor the family-size farm, according to S. H. McCrory, Chief of the Bureau of Agricultural Engineering. Recent developments include the handy general-purpose tractor and the "baby" combine grain harvesters. Studies of the proper placement of fertilizer for various crops have resulted in large increases in yield and in the development of improved distributing machines, he said. Experiments by the Bureau have shown that for such crops as beans, cotton, peas, potatoes and tobacco the yields are best when the fertilizer is placed 2 to 3 inches to the side of the row and not less than 3 inches deep.

Mr. McCrory reported that a sugar beet harvester, developed on lines worked out by Bureau engineers, shows good and economical performance under a variety of conditions; that a vapor sprayer, prepared on the principle of steam cleaners used on stone buildings, has given good results in the control of various insects and diseases attacking peas, potatoes, apples, grapes, and cherries - using only about one-fourth as much spray material as the usual hydraulic sprayer.

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TECHNIQUE DEVELOPED TO IDENTIFY FERTILE EGGS

Fertile and infertile hens' eggs can be identified with a high degree of accuracy after the eggs have been incubated 14 to 20 hours, it was announced this week by the Bureau of Animal Industry. The only equipment needed is an ordinary egg candler with a 75-watt bulb. The embryos that can be seen 14 to 20 hours after incubation contain no blood, cover an area on the yolk about the size of a dime, and appear before the candler as a small spot. This effect is caused by a slight bulge of the embryo on the surface of the yolk. Such eggs are known as "heated eggs" in commercial candling. In the infertile eggs no development can be seen.

The Bureau said it is usually conceded that 10 percent of all eggs set are infertile; removing the infertile eggs at an early stage of incubation would increase the capacity of the incubator.

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LOUISIANA GROWERS GET PREMIUMS ON WASHED POTATOES

The Louisiana Extension Division reported this week that an increasing number of potato growers in the State are washing the potatoes before marketing; that last year the shippers who did this received premium prices of from 25 to 50 cents per sack over prices for other potatoes. About 500 cars of washed potatoes were shipped out of the State last year. The Division predicted that within 3 or 4 years all potatoes going out of the State will be washed.

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THE APPOINTMENT of Tom R. Douglass as Administrative Assistant to administer the new seed law that went into effect in Missouri on January 1, was recently announced by Commissioner of Agriculture Jewell Mayes of that State.

BUREAU NOTES IMPROVEMENT
IN ECONOMIC SITUATION

Prospects for some recovery in the output of industrial products during the next few months were reported this week by the Bureau of Agricultural Economics. It was pointed out, however, that "the lag between changes in industrial activity and consumer buying power probably will prevent material improvement in the domestic demand for farm products generally before spring."

A sharp increase in volume of exports of American farm products in recent months was reported, the seasonally adjusted index of exports in November having been the highest in 2 years. A prospective slight decline in the index of prices received by farmers for farm products in January, compared with December when the Bureau's index was 104 percent of pre-war, also was reported.

The Bureau added: "Wheat prices during the next few weeks will depend largely on European buying...A comparatively stable level of feed grain prices is in prospect...It is probable that the seasonal advance in lamb prices will not be nearly so great as in the first 4 months of 1937. ...A large part of the downward adjustment in prices of the better grades of slaughter cattle, expected for the first half of 1938, apparently took place in November and December, when prices of such cattle experienced one of the sharpest declines on record...Some upturn in hog prices appears probable within the next 2 or 3 months...The large out-of-storage movement of shell eggs during December increases the chances of more favorable egg prices to producers this winter and next spring."

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DETROIT MARKETS BUREAU
STUDIES TRUCKER PROBLEM

Three main problems arise in connection with the present status of the merchant-trucker in the produce industry, according to G. V. Branch, Director of the Detroit Bureau of Markets. One is to provide the right type of license and regulatory control which will help to stabilize and add responsibility to the business; the second is how and where best to provide in the larger cities a centralized marketing place for the merchant-trucker; the third is how to record as early as possible the receipts of produce brought into a city daily by merchant-truckers and make the information available to the industry in time to be of service.

Mr. Branch said that as yet comparatively little headway has been made in solving the situation. He hopes that by stating the problems, the interest of marketing officials and others may be enlisted.

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A MARKETING ORDER for macaroni products made and sold in California was made effective this week by the California Director of Agriculture. It prescribes quality standards and prohibits misbranding. All manufacturers are prohibited from selling their macaroni products below costs of manufacturing and distributing.

"SOCIAL ORGANIZATIONS and Agencies in North Dakota - A Study of Trends, 1926 to 1936" is obtainable from the North Dakota Experiment Station, Fargo, N.D. It is Bulletin 288.

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JERSEY FARMERS DEBATE

FUTURE OF MILK CONTROL

The future of milk control in New Jersey was debated by 400 producers this week at a dairy meeting at Trenton, held in connection with Agricultural Week.

The milk producers were told by H. E. Taylor, Secretary of the New Jersey Farm Bureau, that if milk control boards are to become a fundamental factor in lowering the cost of distribution and in reducing the margin between producer and consumer, an attack must be made where opportunity exists for increasing marketing efficiency.

He recommended a reorganization of plans for collecting milk from the farm, elimination of the less efficient distributor, reduction of duplication in retail delivery routes and a lessening of special delivery services to customers, and reduction of bad debts and bottle losses.

Dr. E. W. Gaumnitz of the Agricultural Adjustment Administration told the milk producers that future marketing agreements of the AAA will be largely concerned with the fixing of farm prices, leaving resale or consumer prices to existing control boards or other agencies that might be established.

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CALIFORNIA ANNOUNCES

MINIMUM FLUID MILK PRICES

The California Department of Agriculture announced this week schedules of minimum wholesale and retail prices for fluid milk in the Los Angeles County and Alameda County Milk marketing areas, the prices to go into effect February 1, under the provisions of the Desmond Act.

The wholesale minimum price of fluid milk, plug cap, containing not in excess of 3.8 percent milk fat is 8½ cents a quart in Los Angeles County, and 9½ cents in Alameda County. The minimum "carry-out" store prices are 10 and 11 cents, respectively, and the retail delivery price 11 cents in Los Angeles and 12 cents in Alameda. Milk containing in excess of 3.8 percent milk fat and not over 4.2 percent is priced at ½ cent per quart over the minimum for quarts containing under 3.8 percent milk fat.

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ARIZONA CATTLE BREEDING

BUSINESS IS STUDIED

Results of a study of the cattle-breeding business on a year-long, mixed-grass, semidesert range in southern Arizona, covering the 11-year

period 1924-34 were recently reported in Circular No. 448 issued by the United States Department of Agriculture. Young range cattle, mostly 8- and 9-month-old calves, constituted the principal product. The range unit comprised 24,700 acres, which carried, together with bulls and other cattle, 394 breeding cows annually for the period.

Gross receipts for the breeding herd (high-grade Herefords) averaged \$26.44 per cow; total costs (running costs and all other charges) averaged \$20.81 per cow; and the amount received by the operator for his labor and management averaged \$5.63 annually, or 8.13 percent, on an average total investment of \$69.23 per cow, exclusive of interest on his own money.

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CROPS INCREASED 1937

INCOME MORE THAN LIVESTOCK

Most of the increase in cash farm income in 1937 over 1936 was from crops, it was shown this week in the year-end income report of the Bureau of Agricultural Economics. The total cash income from marketings and Government payments in 1937 was \$8,521,000,000 compared with \$7,920,000,000 in 1936. Income from crops was \$3,882,000,000 compared with \$3,462,000,000 the preceding year, and from livestock and products \$4,272,000,000 compared with \$4,171,000,000 in 1936.

Among the crops, the grains showed the largest increase, the income being reported at \$1,073,000,000 compared with \$824,000,000 in 1936. Income from cotton and cottonseed was less than in 1936 - \$864,000,000 compared with \$905,000,000.

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LAND BANK FARM SALES

HAVE REACHED NEW PEAK

The Farm Credit Administration reported this week that in 1937 the 12 Federal land banks sold 15,280 farms at \$37,805,652 as compared with a slightly smaller number at \$35,227,778 in 1936. Per unit prices were slightly higher in 1937, and the Administration said that larger cash down payments were made.

"Most of the bank-owned farms were sold to bona fide farmers who expect to reside on the property and make a living there," it was stated. Sale figures varied widely over the country, but in general the South Central, mid-Western and Pacific States showed large increases in sales last year, similar to increases in Central and South Atlantic States in 1936.

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PENNSYLVANIA CAUTIONS AGAINST

OVER-EXPANSION IN TRUCK CROPS

"The point has been reached now where growers should give careful thought to the higher costs and greater risks involved before they make further shifts into commercial vegetable crops," Secretary French of the Pennsylvania Department of Agriculture announced this week discussing recent Federal-State truck crop reports.

"Many acres of cabbage, peas, tomatoes, spinach and watermelons were left unharvested this past season," he said, "prices being

so low that they would not return the costs of marketing. Heavy stocks of canned peas, snap beans, sweet corn, lima beans and other vegetables will be carried over this year and will tend to depress the prices of fresh vegetables in 1938."

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FARM PRODUCTS PRICES

REGISTER FURTHER DECLINE

The Bureau of Agricultural Economics this week reported the January 15 index of prices of farm products at 102 percent of pre-war. This represented a decline of 2 points from the mid-December figure, and a drop of 29 points since January a year ago. The index currently is the lowest January figure since 1934. The decline since mid-December was due chiefly to lower prices of butter, eggs, and lambs. Prices paid by farmers for commodities bought stood at 126 percent of pre-war in mid-January. The exchange value of farm products was 81 percent of pre-war compared with 101 percent a year earlier. The January figure was the lowest since July 1935.

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ILLINOIS FINDS MORE

DAIRYMEN IMPROVING HERDS

The Illinois Extension Service reported this week that 1,450 leading dairymen in 83 counties in the State are cooperating in herd improvement programs. This represents an increase of 202 members over a year ago. Sixty-six associations are now in operation, compared with 58 in 1936, and 26,100 cows are now on test, compared with less than 24,000 a year ago.

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LOUISIANA SEES THREAT

OF FROSTED FOODS INDUSTRY

Louisiana farmers were told this week by the Agricultural Committee of the New Orleans Association of Commerce that "If the general favorable reception of frozen foods by the buying public continues, it will become necessary for Louisiana to engage in this field in order to maintain profitable markets for fruits and vegetables." About 20 years ago the national frozen pack of fruits was slightly more than 1,000,000 pounds, it was stated; in 1936, the output was 53,000,000 pounds, and the pack of frozen vegetables was much more than that of fruits, the Association said.

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NEW YORK EXPERIMENTING

WITH SEMI-SOFT CHEESE

To meet consumer demand for semi-soft types of cheeses, the New York Experiment Station announced this week plans to continue studies of these products. They will deal chiefly with modifications of the size and shape of the cheese. The Station reported that 3 large concerns in the Middle West are now engaged in the manufacture of Trappist type cheese.

RHODE ISLAND WANTS
MILK LAW REVISED

Revision of the Grade "A" raw milk law in Rhode Island is being sought by the Rhode Island Department of Agriculture. The Department says that since the passage of this law in 1926, the general standard of all milk sold in Rhode Island has been raised so that with few exceptions there is little distinction between dairies holding Grade "A" licenses and those not holding such licenses.

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MISSISSIPPI POULTRY
INDUSTRY EXPANDING

Poultry production is increasingly important in Mississippi agriculture, it was reported this week by Commissioner J. C. Holton of the Mississippi Department of Agriculture. Practically all of the 312,000 farms in the State keep poultry for home use, but increased commercial production is evidenced by increasing shipments of poultry and eggs, he said.

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NEW JERSEY GROWERS
TO ADVERTISE FRUITS

Organization of New Jersey Fruits, Inc., an association of New Jersey fruit growers, to promote greater use of fruits produced in that State, was announced this week by the New Jersey Department of Agriculture.

A fund is being raised to advertise apples and peaches, it was announced. The program is to follow the same general line as that adopted by the poultrymen in stimulating the consumption of New Jersey eggs.

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WORLD COTTON CONSUMPTION
REDUCED IN RECENT WEEKS

A marked decrease in world consumption of raw cotton since early December was reported this week by the Bureau of Agricultural Economics. In the United States there was a significant decline although less severe than the drop which occurred during the first 4 months (August through November) of the current season, it was stated. In many European countries, cotton mill activity was reduced materially during the last few weeks of 1937.

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"THE FREEZING TEMPERATURES of Some Fruits, Vegetables, and Florists' Stocks" is the title of Circular 447 obtainable from the United States Department of Agriculture.

THE APPOINTMENT of Dr. Siegfried von Ciriacy-Wantrup, authority on land utilization, to a professorship on the Giannini Foundation of the University of California was announced this week. The appointment, it was stated, is recognition of the increased importance of land utilization in current economic conditions.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
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CALIFORNIA FINDS EGGSTANDARDS LAW "PROTECTIVE"

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U. S. Department of Agriculture

The California Department of Agriculture declared this week that "many recent prosecutions indicate the value of protective features of the egg standardization law in its enforcement over the State." Aided by county agricultural commissioners and their deputies, the State men keep a close watch on all establishments where eggs are packed or offered for sale to ascertain that all provisions of the act are being met.

The law sets up certain quality standards and grade marking requirements which apply to all chicken eggs in the shell offered for sale for human consumption. While there has been general compliance with the egg standardization act, the Department said that enforcing officials have found it necessary, in some instances, to prosecute for repeated violations.

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HIGH COST OF TERMINALMARKETING IS CITED

It cost about $1\frac{1}{2}$ billion dollars to distribute 1 billion dollars worth of fruits and vegetables from the farmers to the consumers, in the United States in 1936, declared William C. Crow of the Bureau of Agricultural Economics, recently addressing the Canadian Fruit and Vegetable Jobbers' Association at London, Ontario.

Considerably more than half of this $1\frac{1}{2}$ billion dollar marketing bill was incurred after the produce reached the large cities, he said, citing recent studies by the Bureau of the organization, facilities, and methods of operation of wholesale markets in 40 large cities. Many of the markets, built in early days, have been out-moded by modern marketing developments. Most cities, he said, do not have proper facilities for handling the increasing quantities of motor truck receipts.

"The first pre-requisite of any effective plan for improving markets is a careful study of local conditions to ascertain the needs," the speaker declared. "With a careful analysis of local needs carried on by agencies which have a broad public viewpoint and knowledge of the industry, with the full support and advice of farmers, wholesalers, jobbers, retailers, consumers, railroads, governmental officials, and other interested groups, it should be possible to work out in each city where improvements are needed a program which will increase the efficiency of the markets."

Copies of Mr. Crow's paper are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

IOWA HOLDING SERIES
OF TENANCY DISCUSSIONS

The Iowa Extension Service said this week that "Iowa's pioneer 'experiment' in holding 99 county farm tenancy hearings may have far reaching effects throughout the Middlewest. It may lead to similar action in neighboring States and ultimately to legislative action."

Every phase of the tenancy problem is open to discussion by landlord and tenant alike at each of the county hearings. Subjects include minimum period of notice for termination and provisions for automatic continuation of leases; compensation for unexhausted improvements made by renters on farms; landlord compensation for neglect or damage by the renter; landlord-tenant arbitration methods; profit taxes on land sold after foreclosure; graduated land taxes; Government aid; and limiting the landlord's lien.

Opinions are to be summarized by the State Tenancy Committee in late February or March so that recommendations for legislative action may be presented to the Governor and the Legislature.

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NORTH CAROLINA FARMERS
PROFIT ON HOG SHIPMENTS

Cooperative hog shipments by farmers of North Carolina rated as a million dollar business in 1937, it was recently announced by the North Carolina Extension Service. Growers sold \$932,459 worth of hogs to northern and eastern markets, and in consignment sales sold an additional \$113,982 worth. The Service said the producers received \$30,000 more than they ordinarily would have got, because they guaranteed the pork to be hard. Total deductions for soft, oily pork found in a few hogs amounted to only seven-tenths of 1 percent.

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NEW ORLEANS GETS MOST
LIVESTOCK BY MOTOR TRUCK

Trucks are now the main source of transportation of livestock to the New Orleans Stockyards, the New Orleans Association of Commerce said this week. Last year, 66 percent of all the cattle received was brought in by trucks. Of hog receipts, 93 percent was by truck. Sheep and lamb drive-ins amounted to 81 percent of the total receipts. The truck figures for New Orleans are slightly higher than the national average for the leading stockyards of the country. The national average for all classes of livestock was 52 percent moved by truck. Twenty years ago less than 3 percent of the receipts at central livestock marketing points came in by truck.

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NEW JERSEY TO CERTIFY
AND ADVERTISE EGGS

A program to promote the sale of Fresh State-Certified New Jersey Eggs was announced this week by the Egg Marketing Committee of the New Jersey Poultry Association. A test campaign is to be made in 6

New Jersey cities for a period of 13 weeks, and followed by a campaign State-wide in scope. Newspapers and point-of-sale display advertising will be used.

Inspectors of the New Jersey Department of Agriculture will supervise the candling of Fresh State-Certified Eggs. Only the best eggs will be packaged and trade-marked with a special blue and buff State of New Jersey carton and emblem. The eggs will be distributed from the Flemington Auction Market to enfranchised New Jersey retail stores which will handle the sales under a special agreement.

The newspaper campaign will emphasize the nutritional value of strictly fresh eggs.

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SMALL FLOCKS SAID TO FEATURE POULTRY SITUATION

The Bureau of Agricultural Economics announced this week that the small flock size with which farmers have started the new year is an outstanding factor in the current poultry and egg situation. The effect of this upon egg prices is being offset by reduced consumer incomes, by large holdings of frozen eggs, by a high rate of egg production per bird, and by the completion of an unprofitable storage year, it was stated.

The outlook until mid-spring was said to be for egg prices below those of 1937. During the remainder of the year, it was stated, reduced production resulting from the smaller flock size is likely to bring a gradual price advance above the corresponding prices of 1937.

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TOBACCO SITUATION SHOWS LARGE PRODUCTION INCREASE

The tobacco situation in 1937-38 has been characterized by a material increase in production, a somewhat smaller increase in supply, a slightly higher level of domestic consumption for tobacco products as a whole, increased exports of flue-cured tobacco, and by fairly high prices and a rather favorable demand for the flue-cured, Burley, Maryland, and cigar types, it was stated this week by the Bureau of Agricultural Economics. The flue-cured and Burley crops are 24 and 68 percent, respectively, larger than in 1936-37, but prices have held up very well.

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NINETEEN THOUSAND LICENSED UNDER PERISHABLES ACT

The Perishable Agricultural Commodities Act, administered by the Bureau of Agricultural Economics, has been in force for more than 7 years. During the first 5 years the number of licenses in effect remained fairly stationary between 15,000 and 16,000. During the past 2 years the number has increased to the present figure, approximately 19,000. The bringing of many truckers under license accounts chiefly for the increase. (A summary of work under the Perishable Agricultural Commodities Act, by H. A. Spilman, is obtainable from the Bureau of Agricultural Economics, Washington, D. C.)

TRADE BARRIERS BETWEEN STATES ARE UNDESIRABLE

By Sinclair F. Kenney, Rhode Island
Department of Agriculture and Conservation

The Rhode Island Bureau of Markets***intends to continue its policy of promulgating only those acts concerning trade barriers which are necessitated by laxity of shippers or by the infringement of outsiders upon the material rights and privileges of our consumers and producers. This year the Bureau has no intention of presenting legislation pertaining to fruit and vegetables before the Rhode Island Legislature, in that we believe there is no immediate need for such action. Should undesirable conditions arise we will forward corrective enactments so designed that they will in no way set up trade barriers between our State and our neighboring States. We believe that trade barriers with the exception of those pertinent to public health, should be corrected by the standardization between States of all legislation relative to the grading and packing of fruits and vegetables.

We realize that these legislative acts are barriers through which a great number, or a small number, may be denied certain privileges. Therefore, it is our consideration that ill-advised, complicated, and too numerous laws are very apt to outlaw shipments of out-of-State products which properly and normally, even though they may compete with our native crops, should be offered on our wholesale and retail markets.

According to the Bureau's interpretation, legislative acts relative to the grading and packing of perishable farm products are, generally speaking, a defensive mechanism which should be resorted to only upon occasions when a large group of producers within a given State are faced with deprivation and unfair competition unless offered a degree of protection by the enactment of State laws to correct such practices as the shipping of inferior quality goods, ungraded and misbranded goods to the unprotected markets of a State.

Many markets which have until recently been open to unrestricted shipments from outside areas are now operating under various standardization laws to bring about more perfect marketing conditions by demanding that closed packages of produce be identified with the packer's or grower's name and address, as well as a grade statement. Laws of this nature are not an attempt to compel the citizens of a State to use only the products of a definite group of its citizens. They are rather intended to protect the citizen of a given State from those agencies which attempt falsely or otherwise to place inferior, and possibly harmful, perishable food products upon the market.

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"DEVELOPMENT OF STANDARD GRADES FOR COTTONSEED" a paper by G. S. Meloy, presented at the Atlanta (Ga.) meeting of the Association of Southern Agricultural Workers, February 2, is obtainable from the Bureau of Agricultural Economics, Washington, D. C. Also available is copy of a paper entitled "World Trade" presented at the meeting by Eric Englund, Assistant Chief, Bureau of Agricultural Economics.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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☆ FEB 19 1938 ☆

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U. S. Department of Agriculture

FREEZER-LOCKER SERVICE MAKING RAPID GROWTH

"Although the industry is still in its infancy, there are (in the United States) more than 2,000 commercial cold storages which rent more than 1,000,000 lockers to farmers for use in freezing and storing perishable foods," according to Donald K. Tressler of the New York Experiment Station.

"In the Pacific Northwest and in certain mid-western States," he says, "the use of these lockers is becoming very common. For instance, in Walla Walla, Washington, a town of 16,000 inhabitants, there are 1,400 lockers in which the farmers of that vicinity freeze and store meat, fruits, vegetables, and dairy products."

Tressler says the cold storage locker system has been introduced in New York State and "undoubtedly will soon be important."

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EMERGENCY CROP AND FEED LOANS AVAILABLE

The Farm Credit Administration announced this week that emergency crop and feed loans for 1938, as authorized by the Joint Resolution of Congress, approved February 4, will be available to farmers about February 18. The loans will be made only to farmers who cannot obtain credit from any other source. The money loaned will be limited to necessary and actual cash needs for growing 1938 crops or maintaining livestock. The largest amount which any one farmer may borrow is \$400. The interest rate is 4 percent a year. The loans will be made by field representatives assisted by local crop loan committees in the various counties.

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NEW JERSEY ORGANIZES TURKEY SALES CAMPAIGN

The New Jersey Department of Agriculture announced recently that turkey growers in that State have authorized the formation of a permanent organization to promote the sale and consumption of turkeys among New Jersey consumers. The organization is to be known as the New Jersey Turkey Growers' Cooperative Association, Inc. It is proposed to establish grades for turkeys to enable consumers to buy New Jersey birds under State-supervised grades and on a quality basis. The Connecticut plan will be followed, as nearly as possible, in promoting the New Jersey turkey from the farm to the consumer's table.

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NEW YORK PROPOSES
BREAD-WEIGHT LAW

A local law requiring bakers to make bread in standard units of half-pounds and pounds was proposed for New York City this week by New York City Markets Commissioner William F. Morgan, Jr. Coincidentally, the Commissioner announced a campaign to cut the price of bread to 9 cents a loaf. He said that reductions in the cost of ingredients since last year have not been passed on to consumers; that there is too large a spread between production costs and retail prices.

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RHODE ISLAND "SPECIAL"
EGGS FETCH TOP PRICES

The Rhode Island Department of Agriculture reported this week that Rhode Island "Special" eggs, produced in Rhode Island, packed in cartons by Rhode Island producers and producer cooperative associations, and sealed with the New England Quality label have consistently topped the Rhode Island markets and proved that consumers will pay for high quality products.

The eggs are packed in cartons at the farm or by a producers' cooperative association. Farms on which the eggs are produced are inspected, and the eggs "are under supervision from the time they leave the nest until they reach the consumer." Persons using the "Special" grade do so under rules and regulations of the Rhode Island Department of Agriculture.

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JERSEY GROWERS HEAR
MERCHANDISING PROBLEMS

About 100 leading fruit and vegetable growers from southern New Jersey attended a marketing institute held at Camden this week by the New Jersey College of Agriculture. Topics scheduled for consideration included "Pressing Problems in Merchandizing Perishable Products", "Smothing the Path from the Farm to the Table", "The Task of Distribution", "Auction Experiences in Central Grading and Packing", "Consumer Expenditures for Fruit and Vegetables", and "The Trend in Consumption of Canned Goods and Frozen Products." Reports of the discussions are obtainable from the New Jersey Extension Service, New Brunswick.

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ANOTHER MAPLE SIRUP
SEASON IS OPENING

In southern New England another maple sirup season is about to open; in readiness as the season moves north the New Hampshire Department of Agriculture has scheduled a series of meetings with producers during the week of February 21. At these meetings production and marketing problems will be discussed.

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THE 1938 SCHEDULE of Crop and Livestock Reports is now obtainable from the Bureau of Agricultural Economics, Washington, D. C.

ILLINOIS STUDIES TWENTY
YEARS OF FARM RECORDS

Based upon a study of 20 years of farm records, the Illinois Extension Service said this week that "annual expenditures for improvements and machinery are definitely correlated with farm prices."

Machinery expenditures reached their peak in 1929 when \$646 a farm was spent, it was stated. Expenditures for machinery dropped to \$254 in 1932. Adding the reduction in expenditures for improvements, the Service estimated that "producers of farm machinery, fence, building material, paint and limestone had an Illinois market for their products valued at \$90,000,000 in 1929 which was not available in 1932 because of the extremely low prices received for farm products in '32."

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CANADA MARKETING HOGS
"CARCASS GRADE" BASIS

Canada's success in marketing more than 1,000,000 hogs on a carcass grade basis last year has effectively demonstrated that such a method of grading is practical, according to L. W. Pearsall of the Department of Agriculture at Ottawa, Ontario.

Advantages of carcass grade marketing over marketing on a live basis were listed: (1) Definite determination of degree, uniformity and quality of finish; (2) accurate carcass weights; (3) provision of official grading reports to every farmer marketing on that basis; (4) identification of hogs in the packing plant, making it possible to trace the origin of and find the causes of soft, oily carcasses, to determine farms where disease is prevalent so the diseases may be eradicated, and to trace the cause and occurrence of bruising.

Pearsall explained that under the carcass grade marketing method the producer gets paid for the exact value of the carcass, thereby eliminating the problem of dressing percentage which must be considered in "on the hoof" marketing. He said that intermediary marketing agencies, particularly commission merchants and stockyard interests, are opposed to the system, but that last year farmers voluntarily marketed 25 percent of their hogs on a carcass grade basis. In December, 32 percent of the hogs were sold in this way.

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WOULD LABEL VEGETABLES
"FRESH", "CANNED" OR "FROZEN"

Legislation to compel restaurants to indicate whether the fruits and vegetables they sell are "fresh", "canned" or "frozen" was recommended by the United Fresh Fruit and Vegetable Association in recent annual convention at New Orleans. The proposal was advanced as one way to combat inroads of processed foods on the fresh fruit and vegetable industry. It has been estimated that the production of frosted foods will increase 50 to 75 percent above the record output in 1937.

NORTH CAROLINA SAVES
DOLLARS FOR DAIRYMEN

Accurate sampling of cream used for butter-making -- given North Carolina cream producers for the first time during the past year -- has resulted in the saving of thousands of dollars for "honest" dairymen, according to the North Carolina Department of Agriculture.

The Department said recently that a survey revealed that cream delivery men, or routemen, were generally taking inaccurate samples of cream showing a high butterfat content. The creameries made a double-check, found the routemen to be inaccurate, and refused to pay for butterfat they were not receiving. Consequently, all producers on the route were penalized when the creamery operator made necessary adjustments to protect himself.

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LIVESTOCK MARKET URGED
FOR UP-STATE NEW YORK

Establishment of a modern livestock market system in Central New York was recommended this week by the New York Department of Agriculture and Markets.

"The possibility of developing a demand for pure and wholesome meat and meat products of New York State origin is unlimited," according to a report which Commissioner Noyes will submit to the Central New York Regional Market Authority. It is proposed that the Authority build and operate a livestock market that would handle, it is estimated, 32,000 dairy cattle, 170,000 veal calves, 14,000 sheep, and 30,000 hogs a year.

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THE RHODE ISLAND Department of Agriculture recently announced plans to establish grades and standards for the certification of Bent grass seeds.

A LIST of manufacturers of fruit and vegetable hampers and baskets is obtainable from the Bureau of Agricultural Economics.

A REPORT showing car-lot shipments of fruits and vegetables by commodities, States and months for the calendar year 1936 is obtainable from the Bureau of Agricultural Economics.

PROBABLY 50 percent of all farm homes are equipped with radio, it is estimated by the Bureau of Agricultural Economics. The 1930 Census reported 1,500,000 farm homes -- 85 percent of the total -- equipped with radio. Sales to farmers in 1936 totaled 1,065,000 sets, and the estimate for 1937 is 1,200,000 sets. About 240 radio stations are now broadcasting daily market reports prepared by the Bureau.

LARGEST corn export movement in 9 years has been reported for this season to date by the Bureau of Agricultural Economics. The movement through February 5 totalled about 17,000,000 bushels. This was nearly as much as for a full season in previous heavy corn exporting years. Much of the volume has been bought by the United Kingdom.

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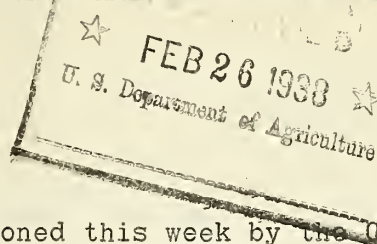
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CALIFORNIA WARNS OF TURKEY EGG "RACKET"



Turkey growers were cautioned this week by the California Department of Agriculture against fraudulent practices of unscrupulous handlers of hatching eggs. It was reported that twice in the last two years, turkey growers in California fell victims to some mid-west hatcheries which bought turkey eggs on a fertility basis.

The Department said that under ordinary conditions the producer may reasonably expect a fertility for February and March to run between 85 and 90 percent, for April 75 to 80 percent, and for May 60 to 70 percent. The producers were told that if the mid-west receiver gives returns 15 to 25 percent less than the above figures, they are being defrauded.

A local buyer for the hatchery is commonly commissioned to purchase eggs at a price subject to a fertility guarantee, it was explained. An advance may be made at the time the eggs are shipped, but reports from the hatchery are often delayed, and when these reports are finally made there is usually a large deduction for failure of the eggs to meet fertility requirements.

Turkey growers were advised by the Department to sell the eggs on the basis of a flat price, f.o.b. shipping point, without fertility guarantee, to deal with a recognized firm of good standing, and to have a written contract.

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LOUISIANA FARMERS PROFIT USING COTTON DRIERS

The Louisiana Extension Service reported this week that Louisiana cotton farmers were saved \$450,000 on their past season's crop through the operation of mechanical driers used in 68 of the 650 gins which operated in the State. The driers "artificially conditioned" more than 150,000 bales, resulting in an increase of about \$3 per bale in the value of the ginned lint.

The artificial drier, a comparatively recent development, enables ginners to produce a much better lint, it was stated. More than 10 percent of gins in Louisiana were reported as being equipped with driers, and a further increase is expected this year.

The driers were especially valuable during the past season, because weather conditions were unusually bad and much damp or wet cotton was brought to the gins.

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MAINE STUDYING USE
OF "FREEZER-LOCKERS"

The Maine Extension Service reported this week that marketing specialist R. N. Atherton is working with organized groups in 3 Maine communities where cold-storage locker plants have been proposed. In each instance, the locker facilities would be added to existing refrigeration equipment of creameries or cold-storage plants.

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ILLINOIS DEVELOPES SIX-
POINT POULTRY PROGRAM

A 6-point program to help Illinois poultry producers improve the quality of their market eggs was announced this week by the Illinois Extension Service. Discussing packing and marketing methods the Service recommended the use of new cases, fillers and flats, and the packing of eggs with the small ends down. In mixed cases, the packing of eggs according to weight and color classification was recommended. The producers were advised to market eggs at least once a week, to protect them en route to market against weather, jarring and rough handling and to sell the eggs to dealers properly equipped to handle such a perishable product.

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LIVESTOCK PRICES BEST
LAST YEAR SINCE 1929

Highest average prices in 8 years were received by farmers for livestock and livestock products in 1937, it was reported last week by the Bureau of Agricultural Economics. A 5-percent increase above the average of prices for 1936 was reported. Prices averaged about 36 percent above the depression low point of 1933, but about 19 percent less than in 1929.

Average prices of all livestock and livestock products items were substantially more in 1937 than in 1936, except for horses, mules, and eggs. Egg prices averaged slightly lower, and work animal prices were down as a result of a sharp drop during the latter part of the year. Meat animals were up 9 percent; dairy products, up 4; chickens and eggs, no change; and work animals, down 11 percent. Wool prices averaged about 19 percent higher than in 1936.

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CALIFORNIA EXPANDS
MARKET ENFORCEMENT DIVISION

Expansion of its Division of Market Enforcement through the opening of a new branch office at Fresno, was announced by the California Department of Agriculture this week. This Division enforces the Produce Dealers Act requiring the licensing, bonding and supervising of all buyers, dealers, brokers and commission merchants operating in fruits, vegetables, poultry, eggs, livestock, hay and other farm products.

Other Division activities include administration of the Processors Law regulating canneries, wineries, dried fruit packers, and other groups marketing farm products in processed form, and of the Young Milk Control Law.

NEW YORK WARNSAGAINST "BARGAIN" SEEDS

The New York Experiment Station reported recently that "because of the high price of good alfalfa and red clover seed this spring, there have appeared in certain farm papers more than the usual crop of seed advertisements in which appear iron-clad guarantees to save the farmer money."

The Station is warning farmers that "it is a safe practice to pay no attention to advertisements of seeds where price alone is the only description given"; also, that "small advertising samples of seeds are a delusion and a snare." It was stated that "reliable seedsmen do not approve of advertisements where seeds are offered at stipulated prices without any description as to purity, quality, or origin. So-called bargains are the most expensive seed."

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NEW JERSEY LAUNCHESAPPLE CONSUMPTION CAMPAIGN

The New Jersey Extension Service reported as of February 10 the launching of "an intensive campaign to promote the consumption of New Jersey apples in the State's four chief consuming centers" by the New Jersey Fruit Institute, Inc. It was stated that "if this year's apple program succeeds, it is planned to extend it to next summer's early apple and peach crops and to continue it in future years."

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MANY TENANTS ENABLEDTO BUY FARMS LAST YEAR

About 6,000 tenants were assisted in the purchase of farms in 1937, by means of Federal land bank and Land Bank Commissioner loans, it was announced this week by the Farm Credit Administration. Loans to finance farm purchases accounted for nearly 24 percent of the 1937 land bank and Commissioner loans, compared with 16 percent of the 1936 total. More than 2,000 loans were to former tenants who had accumulated sufficient money to make reasonable down payments on farms purchased from retired farmers and other local land owners, and 4,000 tenants in addition bought farms during the year from the real estate holdings of the Federal land banks.

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MARKED INCREASE IN FARMPRODUCTS DEMAND "UNLIKELY"

The Bureau of Agricultural Economics announced this week that although there are indications of "some irregular improvement from present levels of industrial activity, it is unlikely that this tendency will produce any marked increase in the domestic demand for farm products the remainder of this year."

As to foreign demand, it was stated that the December index of agricultural exports was the highest in more than 2 years, but that the increase in exports has been largely a reflection of changes in the supply situation here and abroad.

NEW MEMBERS APPOINTEDON JERSEY AGRICULTURAL BOARD

Jacob A. Blakeslee, dairy farmer of Newton (New Jersey), and P. Wendall Biedeman, vegetable grower of Haddonfield, were recently elected as members of the New Jersey Board of Agriculture, for 4-year terms. The new members take office July 1, succeeding Herman B. Demme of Sewell, and R. S. Schomp of Flemington.

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IOWA REPORTS ONCORPORATE-OWNED LAND

The Iowa Extension Service recently reported that in January 1937, 11 percent of the farm land in Iowa was owned by corporations, and that most of this land is available for immediate purchase. Discussing the question as to whether now is the time for tenants to buy land, it was stated that "land values are still only 73 percent of the pre-war average. Although they are higher than in 1932, the low point in recent years, the rise since has not been large."

The report "Corporate-Owned Land in Iowa, 1937" continued: "What is to be feared more than anything else is a rise in land values like that which occurred in 1919 and 1920. Our objective should be to level off the high points, by encouraging the purchase of farms at low prices, because untold damage is done when a large number of farms are bought and mortgaged at abnormally high prices. More careful appraisals of these farms are needed before being sold to tenants, in order to avoid past errors of valuations placed too high."

The report is obtainable from the Iowa Extension Service, Ames.

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DAIRY PRODUCTION UP;PRICES HAVE DECLINED

The Bureau of Agricultural Economics reported this week that dairy production is increasing, even more than usual for the early part of the year. And that this larger production of milk has come at a time when incomes and buying power of consumers have fallen off appreciably.

Total milk production on February 1 was reported about 3 percent larger than a year earlier and the highest for the date since 1934, although farmers now have about the same number of cows as at this time last year. Largest increase in production per cow was reported for areas where last year's feed shortage was most acute."

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THE MASSACHUSETTS DEPARTMENT OF AGRICULTURE (136 State House, Boston) has available for distribution "The Massachusetts Poultryman's Marketing Handbook". The publication cites Massachusetts egg and poultry legislation, discusses voluntary grades, the candling of eggs, and the factors affecting quality, and describes the market news service.

ONLY 15 PERCENT of the fruits and vegetables marketed in New York City comes from New York State farms, it was recently reported by the New York State Bureau of Markets.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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February 23, 1938

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SLACK-PACKED APPLES ARE DISCOUNTED IN MARKETS

How slack-packed apples are discounted in the markets, even though the pack may contain as many apples as a bulging container, was recently reported by L. A. Carlisle of the New Hampshire Department of Agriculture, following a survey of the Boston market.

Carlisle was told that slack packs sell for 10 to 15 cents a crate less than packs showing some bulge. Merchants pointed out that in seasons of heavy supplies the slack pack is especially disadvantaged. Carlisle explained that the orchard crate was brought into use a few years ago because it was an easier and cheaper container to pack, and held as many apples as the commonly used New England crate when bulged. The crate could be packed without pressure and the fruit, especially McIntosh variety, showed less packing bruises. But despite this condition, the buyer wants a bulged pack.

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PENNSYLVANIA SEED SERVICE IS EXPANDED

Secretary J. Hansell French of the Pennsylvania Department of Agriculture recently authorized additional equipment and increased personnel at the Department's seed laboratory at Harrisburg. He explained that farmers and gardeners in Pennsylvania annually spend more than \$8,000,000 for seed. There are 3,000 seedsmen in the State, and the Department annually analyzes many samples for quality, purity and germination.

Samples are obtained by two methods. State inspectors collect them from wholesalers and dealers, and farmers and gardeners may send in samples for analysis. A fee of 25 cents per sample is charged for the latter service.

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NEW JERSEY SEEKS BETTER BERRY PACKAGING

Improved packaging to protect New Jersey berries in transport to markets was the subject of a conference at Trenton this week, of representatives and buyers from the produce auctions at Hammonton, Landisville, Vineland, Rosenhayn, Cedarville and Hightstown.

The group went on record as favoring 24-quart crates for strawberries, and instead of the old 1/2-inch riser on the tray they endorsed a 3/4-inch riser, 1/4-inch wide instead of 1/2-inch, as formerly. The

inside of the crate is to be 11-3/4 inches deep. This container is similar to the crate used previously except that it is deeper. Cleats are provided on the lids to separate the crates, thus increasing ventilation when they are loaded in trucks or cars.

The 36- and 24-pint crates for raspberries are to have a full 1/2-inch riser instead of the present one which is slightly less. Although the 36-pint crate has been used extensively, the question of which size is preferable is to be determined after the trial of both. Floor space of all crates is the same; the chief change is in the increased depth.

The New Jersey Bureau of Markets has arranged with several manufacturers to supply the new berry crates.

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CALIFORNIA EXPERIMENTS WITH FROZEN FOODS

The University of California announced this week the beginning of experiments to determine the food value and changes in color, flavor and texture of frozen lima beans. The work is part of a general study of frozen fruit and vegetable products being conducted by the Los Angeles laboratory of the U. S. Bureau of Chemistry and Soils. The University said that "freezing gives a kind of lima bean which is different from the dried product. In color and flavor, it is more like the fresh garden product than that obtained from any other method of preservation."

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NEW YORK WANTS BETTER MILK PRODUCTION FORECASTS

More adequate methods of forecasting milk production are needed, so that prices can be adjusted and other plans made in advance to prevent shortages or excessive surpluses, Dr. Leland Spencer recently told a Farm and Home Week audience at Cornell. The speaker added that at present the depressing effect of surplus on fluid milk prices is greater than usual.

The only permanent solution of the surplus problem, he said, is to get total production of milk in the milk shed into closer step with demand for fluid milk and cream. This probably will mean the adoption of suitable price differentials to encourage more even production throughout the year, and perhaps the assignment of a quota for each producer, Dr. Spencer said.

Dr. M. C. Bond of the Department of Agricultural Economics forecast a further expansion in the use of milk in the Northeast during the next few years, but said that "the increased consumption of evaporated milk indicates considerable competition from that product if the spread between retail prices for fluid milk and evaporated milk becomes too large."

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A REPORT entitled "Milk Production and Utilization in the United States 1934, 1935 and 1936, Including Detailed Estimates by States of Milk Production and Disposition on Farms" is obtainable from the Bureau of Agricultural Economics.

REDUCTION REPORTED IN
JANUARY FARM INCOME

Farmers' cash income from sales of products totaled \$603,000,000 in January, compared with \$675,000,000 in December, and with \$638,000,000 in January 1937. Government payments in addition amounted to \$17,000,000 in January, compared with \$8,000,000 in December and with \$43,000,000 in January last year.

The decline in income from December was slightly more than seasonal. Income from crops decreased by a greater than usual amount, but income from livestock and livestock products decreased less than seasonally. The Bureau of Agricultural Economics reported that about the usual seasonal changes from month to month are expected in the income from farm marketings from now until mid-year, but that the amount received will be less than in the same months of 1937.

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MORE HOGS, FEWER
CATTLE ON FARMS

The largest number of hogs, pigs, sheep and lambs on farms in 4 years, but the smallest number of cattle and calves in 4 years, were reported this week - as of January 1 - by the Crop Reporting Board. Most of the increase in numbers of hogs during the past year was in the Corn Belt. Changes in numbers of cattle during 1937 varied considerably among the various States, with numbers reduced in 17 States and unchanged or increased in other States.

There were sharp reductions in numbers of cattle in the States from Nebraska to Texas and increases in most of the other North Central States. The number of cows and heifers on farms was little changed from a year ago; the January 1, 1938, figure was 24,902,000 head.

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MINNESOTA REPORTS ON
CREAMERY COOPERATIVES

A bulletin, "Minnesota Cooperative Creameries", was recently issued by the Minnesota Extension Service. It is based upon a study of data obtained from 175 cooperative creameries located in all parts of Minnesota except the 13 northern counties and the Twin City area. These creameries manufacture an average of 353,000 pounds of butter a year, the individual output ranging from 45,000 to 1,668,000 pounds. The bulletin discusses factors such as competition among creameries, and the manufacturing and marketing practices of cooperative creameries.

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FARMERS GET LESS THAN
HALF OF RETAIL FOOD PRICES

Farmers in 1937 received less than half of the retail prices of 58 foods which make up about 75 percent of the average American dietary. The farm value of the 58 foods was 45 percent of the retail value, as compared with 44 percent in 1936, according to a report issued this week by the Bureau of Agricultural Economics on "Price Spreads Between the Farmer and the Consumer". The portion received by farmers in 1937 compared with 47 to 48 percent in the late 1920's.

IOWA POULTRYMENEARNING MORE INCOME

The Iowa Extension Service announced this week that "in spite of lower egg prices, Iowa poultrymen who keep calendar flock records are making more than twice as much money above feed costs as they made a year ago." This conclusion is based upon January calendar flock records.

The reason for the increased income "is that feed prices have dropped even more than egg prices, and hens are laying as well or better than they were a year ago." For January, the average of 37 flock owners reporting showed a margin of 7 cents a bird in receipts over feed costs, compared with 1 cent in January 1937.

The high 10 flocks reported a margin of 12 cents compared with 10 cents a year earlier; the low 10 reported a margin of 1 cent compared with a loss of 8 cents a bird in January 1937.

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REGIONAL VARIATIONSIN FARM MORTGAGE CREDIT

A report on "Regional Variations in the Sources and in the Tenure Distribution of Farm-Mortgage Credit, Outstanding January 1, 1935" was issued this week by the Bureau of Agricultural Economics. The report shows that on January 1, 1935, the Federal land banks and the Land Bank Commissioner held more than one-half of the estimated farm-mortgage debt in the East South Central States, as compared with slightly less than one-third of the total for the country as a whole on that date. For the Middle Atlantic and New England States, on the other hand, this source of farm-mortgage credit accounted for less than one-fifth of the total outstanding farm-mortgage loans. Holdings by other lending agencies are shown in the report, copies of which are obtainable from the Bureau.

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RISE REPORTED IN FARMREAL ESTATE TAXES

Farm real estate taxes per acre increased in 1936 for the second consecutive year, and a preliminary survey indicates a probable further rise for the 1937 levies, it was stated this week by the Bureau of Agricultural Economics. Taxes in relation to farm real estate values, however, continued to fall in 1936 because land values were rising faster than were taxes.

The index of average taxes per acre for the United States, on a 1913 base, stands at 156 percent in 1936, compared with a peak of 241 percent in 1929. Taxes per \$100 of value averaged \$1.13 in 1936, having fallen to that figure from \$1.50 in 1932.

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"MANAGEMENT, Harvest, and Sale of Pine Timber for Pulpwood" is the title of a circular recently issued by the North Carolina Extension Service. It reports rapid development of the pulp and paper industry in the South, and attempts to answer questions commonly asked by farmers interested in the subject.

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NEW JERSEY TO STUDY FAMILY LIVING COSTS

A survey of living costs of the average family in New Jersey, for the State and for separate sections, is being organized by the New Jersey Department of Agriculture. The survey will cover food, fuel and light, rent, clothing, furniture, medical service, drugs and sundry items of expense. The Department has announced that upon completion of the survey, items will be published monthly as retail prices for 83 leading foods in New Jersey have been for the past 2 years.

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CAROLINA GROWERS LOSE CANADA TOBACCO MARKET

The North Carolina Department of Agriculture announced this week that North Carolina growers "have virtually lost" Canada as an export market for flue-cured tobacco. During the past 10 years, it was stated, "Canada growers have increased tobacco production from 6 million to 53 million pounds." United States exports of flue-cured tobacco to Canada have decreased 80 percent during the past 3 years, or from 8 million to 2 million pounds.

The Department added that Canada's increase in production "is being felt by England" which offers Canadians a preferential tariff, allowing them to import flue-cured tobacco at 51 cents a pound cheaper than allowed the United States. Canadian exports to England have increased from 1 million pounds of raw leaf in 1923 to 9 million pounds last year.

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PENNSYLVANIA APPLES FINDING NEW MARKETS

The Pennsylvania Department of Agriculture announced last week that 205 commercial apple growers in 20 Pennsylvania counties have contributed to an advertising campaign seeking wider markets for apples grown in Pennsylvania, Maryland, Virginia and West Virginia.

These growers paid to Appalachian Apples, Inc., a non-profit grower organization, 1 cent per bushel on 773,726 bushels of apples for the promotion of the bumper 1937 crop. The cooperating States contributed on a production basis. Newspaper advertising and other promotional methods have been used to increase consumption in New England and the South.

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NEW YORK REPORTSFARM LABOR SHORTAGE

Higher farm wages are not attracting workers to farms, and despite a business recession, the supply of farm labor available in New York State in January was actually less than a year earlier, it was recently reported by the New York Extension Service. Farmers were offering about 10 percent more pay for hired help, but fewer persons were available for farm work, it was stated.

The Service said that the type of agriculture in the State is such that considerable hired help is needed in winter.

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"PLATED" COTTON BALESINVESTIGATED IN LOUISIANA

An investigation of reports of the "plating" of cotton - the practice of placing low-grade cotton or metal in the center of a bale - was recently announced by Federal Attorney Harvey G. Fields, Shreveport, Louisiana. Fields explained that samples taken from bales surfaced with high-grade cotton and centered with low-grade cotton fail to reveal actual values. He said that the "plating" of cotton is against the Federal law, that persons guilty of the offense and ginnermen who press the bales are liable for prosecution.

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FARM PRODUCTS PRICESDROP BELOW PRE-WAR FIGURES

A 5-pound drop in the index of farm products prices during the month ended February 15, carried the index down to 97 - the lowest figure recorded since August 1934, it was reported this week by the Bureau of Agricultural Economics. The index is 30 points below that on February 15 a year ago. During the last month of record, cotton and cotton-seed were the only major products registering higher prices. Prices of meat animals were unchanged, grains and fruits were down 2 points, dairy products were off 7 points, and chickens and eggs dropped 19 points.

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JERSEY CERTIFIED SEEDSTO CARRY STATE LABELS

Use of the official outline of the State of New Jersey on bags of New Jersey certified crop seeds was authorized this week by the New Jersey State Board of Agriculture. Certified grain seeds which may carry this official mark include wheat, rye, oats, barley, corn and soy beans. Tomato seed and seed potatoes are also certified and bear the official insignia.

The Board stated that each year higher standards and stricter regulations have been adopted since certification work was begun in 1919. An unusually heavy demand for certified grain seed this year was reported. The certified seed is identified by the printed bag bearing the State certification and the official yellow certification tag of the State Department of Agriculture.

POSTERS TO PROMOTE
POULTRY IMPROVEMENT

The United States Department of Agriculture announced last week that "to promote interest in well-bred, healthy chicks, posters featuring 'A Guide to Quality Poultry'" will be displayed during the 1938 hatching season in the 42 States using the National Poultry Improvement Plan in cooperation with the Department.

The posters carry the improvement-plan emblem with its alert baby chick, an already-familiar design to cooperating poultry breeders and hatchery operators and to chick buyers who have been purchasing N.P.I.P. chicks during the two hatching seasons the plan has been in operation.

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CONSUMERS SERVICE SEEKS
TO POPULARIZE POPCORN

The Consumers Information Service of the New York Department of Agriculture and Markets each week issues a booklet on the preparation and uses of individual foods. Latest in the series is "Popcorn, Please" containing suggestions for popping corn and recipes for serving it in different ways.

"Revive the old custom of serving heaping dishes of hot buttered popcorn," the Department urges the housewives. "There are distinctive flavors in various kinds of popcorn, flavors as characteristic as those to be found in different varieties of apples."

Meanwhile, the Bureau of Agricultural Economics reveled the scope of the popcorn industry in a report showing that commercial popcorn production in the 8 principal producing States totalled 92,664,000 pounds in 1937. This compared with the small crop of 36,721,000 pounds in 1936. Largest increases were reported for Iowa, Kansas and Texas.

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JAIL SENTENCES FOR
PRODUCE LAW VIOLATORS

Jail sentences are being passed out with some frequency in California to violators of the State Produce Dealers Law. One dealer in Modesto, found guilty of operating without a license, drew a sentence of 6 months, and when he gets out he will face a warrant against him issued at Stockton. Another dealer, at Stockton, was sentenced to serve a year in the county jail, for having defrauded growers, but half the sentence was ordered suspended provided he pays grower claims of about \$400 within 6 months.

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BUREAU ISSUES REPORT ON
EASTERN SHORE CROP FINANCING

A report "Financing Crop Production on the Eastern Shore of Virginia" was issued by the Bureau of Agricultural Economics this week. It states that "the production-credit system of the Eastern Shore of Virginia which has remained unchanged during the past 2 decades, is characterized by the specialty production of early potatoes supplemented by one or

more other speciality crops, the majority of which production is financed by dealer credit. This system is speculative because growers, dealers, and in some cases manufacturers of supplies, assume so little responsibility for their actions. The grower passes a large share of his responsibility to the dealer, the dealer to the banks and supply manufacturers, the supply manufacturers in many cases to large city banks."

The publication discusses the problem, credit-financing practices, dealer financing operations and other features, and offers suggestions for grower financing, and credit practices of financing institutions. Copies are obtainable from the Bureau, at Washington, D. C.

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EGGS, CHICKEN PRICES IN CONTINUED DECLINE

The Bureau of Agricultural Economics said this week in its March Poultry and Egg Situation that the most striking development in February was the sharp decline in egg prices, and whereas chicken prices ordinarily rise from December to May, prices in mid-February were the lowest since last July.

As to eggs, it was stated that lower consumer incomes than a year earlier, large holdings of frozen eggs, a high rate of egg production and the completion of a very unprofitable egg storage year have much more than offset the effects of the small flock size.

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GOVERNMENT GRADED MEATS HELP CONSUMERS' COOPERATIVE

The manager of Consumers' Cooperative Service of Chicago recently reported that Government graded meats are "at least 50 percent responsible for the success of our meat market. The market has a reputation all over the city among cooperators, and of all the advantages of the store the reliable quality of the meat is cited most often by customers. In addition we have found that this grading service is a very important protection in buying."

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FOR 10 YEARS, in season, the New Jersey Department of Agriculture has maintained a market news field office at Hightstown, to aid potato growers and shippers in the disposal of their crop. Information is collected and distributed daily on carlot movement from New Jersey and competing States, primary destinations of New Jersey potatoes, f.o.b. prices throughout the potato belt, prices at leading city markets and economic data concerning conditions in competing areas. Close cooperation is maintained with the Philadelphia office of the Bureau of Agricultural Economics which furnishes the figures on car shipments and destinations. The Hightstown office usually is opened in mid-July and closed in mid-September.

MIMEOGRAPHED PUBLICATIONS obtainable from the Bureau of Agricultural Economics include "A Study of Factors Affecting the Price of Dry Edible Beans in the United States, by Classes, 1922-23 to 1934-35" and "Cotton Bags and Other Containers in Flour Mills of the United States."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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★ MAR 19 1938 ★

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U. S. Department of Agriculture

SUPPLEMENTARY SPRING
OUTLOOK REPORTS SCHEDULED

The Bureau of Agricultural Economics announced this week that supplementary or spring outlook reports will be issued this month on four major groups of commodities - wheat, feed grains, tobacco, and vegetables, and also on flax and rice. These reports will be issued following the release on March 18 of the Bureau's report on "prospective plantings for 1938," formerly known as the intentions to plant report.

NORTH CAROLINA FINDS FEW
"GRADE A" EGGS IN STATE

The North Carolina Department of Agriculture recently announced the results of a survey showing that only about 17 percent of the eggs were "Grade A", or the type considered fresh, on the larger markets in the northern part of the State. About 48 percent of the eggs fell in "Grade B" or were eggs regarded "low grade fresh or high class storage" eggs. Approximately 12 percent graded "C" or "low class storage eggs"; 14 percent were "dirty or unfit for classification"; the remainder were "broken, decayed, or showed meat or blood spots, which made them undesirable."

The North Carolina Department is trying to change this situation through a campaign for high quality egg production and marketing.

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NEW YORK WARNS AGAINST
BARGAIN PRICES OF SEEDS

New York State farmers are being cautioned this spring by the New York Department of Agriculture in buying seeds at bargain prices from out-of-State sources, since mail-order transactions are outside the jurisdiction of the State seed law. In such cases, only the Federal Seed Act is operative.

The farmers are being told that if they must send away for seeds, they should insist that the seeds be shipped fully labeled to show the kind, variety, purity, noxious weed content and germination. The Department reported several cases during the last 2 years of low quality and misbranded seeds shipped into the State.

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"DAIRY AND POULTRY MARKET STATISTICS - 1937 ANNUAL SUMMARY", a mimeographed report, is obtainable from the Bureau of Agricultural Economics.

OHIO DISTRIBUTOR RETAILS
MILK IN GALLON CONTAINERS

Retailing milk in gallon containers at reduced prices was suggested as a method to increase consumption, by Ray Miller, milk distributor of Columbus, Ohio, addressing the New Jersey Extension Service Dairy Marketing Institute at New Brunswick, this week. Miller said he had demonstrated the practicality of this in his own market. "The lower price," he declared, "has enabled customers to increase family milk consumption 46 to 57 percent."

Miller sells on a cash-and-carry basis for 35 cents the gallon as compared with 44 cents the gallon for milk delivered by competitors in quart bottles. He said he was able to give the consumer a lower price without cutting the rate of payment to dairy farmers; that he is "paying farmers the same price competitors pay".

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CONNECTICUT FINES
SEED LAW VIOLATOR

The Connecticut Department of Agriculture announced this week that Carl A. Burrows of Lawrence, Mass., agent for the Lake Shore Seed Company of Dunkirk, N. Y., recently was fined \$50 in New Haven City Court for violations of the Connecticut Seed Law. Burrows was arrested by the local police for selling unlabeled seed. He was charged specifically with violating the law requiring all lawn grass mixtures to be labeled, and selling improperly labeled vegetable seeds. The lawn mixtures carried no analyses tags, and the vegetable seeds did not have the germination and the year of test on the packages.

Distributors in the eastern part of the State where a large quantity of seed was placed on consignment were warned by the Department that all seed offered for sale must carry labels designating the contents.

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NEW JERSEY REPORTS
GROWTH OF AGRICULTURE

The results of a comparative survey of New Jersey agriculture in 1900 and today were announced this week by Secretary W. H. Allen of the New Jersey Department of Agriculture. The Secretary said that "while the number of acres of farming land in the State has decreased, the total production has increased in nearly every crop. This indicates better farming practices resulting in a higher average yield per acre."

Large scale production crops have moved to cheaper areas since 1900, and there has been a shift in crops grown in the State from the cereals, meat and hay to the vegetables, fruits, poultry and milk, it was reported. The result has been, Secretary Allen said, "more intensive and more economical methods of farming."

The 1937 average-size New Jersey farm of 64.5 acres was reported as "producing crops which are double and triple in value the crops of the 1900 average-size farm of 82 acres."

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"COTTON MARKETING In The Salisbury Area of North Carolina", a bulletin, is obtainable from the North Carolina Extension Service, Raleigh.

APPLE GROWERS URGED
TO HOLD INFERIOR FRUIT

Apple growers were urged this week by the New York-New England Apple Institute to keep inferior grades of apples off the market. The Institute said there are "plenty of good apples available to take care of the demand even if consumption should show a marked increase due to prevailing low prices."

The Institute is cooperating with the National Apple Stabilization Committee in helping to call to the attention of consumers the ample supply of high quality apples available at reasonable prices.

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NEW HAMPSHIRE REPORTS
SMALL MAPLE SYRUP SUPPLY

The New Hampshire Department of Agriculture announced this week that "all reports indicate that holdings of maple syrup by wholesalers and producers are light this spring and probably represent the smallest carryover for several years."

The results of a survey by the Vermont Bureau of Markets was cited, showing that stocks on January 1 were equal to about 66,000 gallons of syrup, compared with 293,000 on the same date in 1937, and with about 410,000 gallons on January 1, 1936.

Wholesalers were reported quoting producers higher prices this year than last - an advance of 11 cents a gallon for Fancy, B, and C grades, and of 22 cents for A grade syrup. Meanwhile, the New York Extension Service reported that the annual cry "Sap's up!" will soon echo throughout the Empire State.

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CROP BOARD CHANGES
FORM OF ITS REPORTS

The Bureau of Agricultural Economics announced this week some changes in the form of its crop reports. Wherever practicable the monthly reports issued from Washington will show indicated yield per acre of crops, rather than condition. Condition as a percentage of normal however, will be maintained in the case of cotton, and where the indicated yield per acre is not calculated, as in the cases of pasture and fruit crops. The change was made inasmuch as factors other than conditions - such as weather - are used in arriving at the indicated yield per acre.

Wherever practicable the monthly reports of acreage, yield, production, stocks, etc., will show the current estimate, and will give comparable figures for the previous year, and the average for the 10 years ending 2 years prior to the date of the report.

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RECEIPTS FROM SALES OF PRINCIPAL FARM PRODUCTS in January were less than a year earlier in 4 of the 6 major geographical divisions of the country, the Bureau of Agricultural Economics announced this week. The West North Central and South Central States were the only sections for which small increases in receipts were reported.

ILLINOIS STUDIES
POULTRY TURNOVER

The Illinois Extension Service reported this week that "in maintaining an average annual income of \$4,000,000 from poultry production, Illinois farmers find it necessary to replace one-half to two-thirds of the mature flock each year."

It was stated that "growing of young stock is a part of the business that must not be slighted if profitable results are to be obtained. The poultryman who knows how to keep chicks growing without setbacks from the time they leave the incubator until they are placed in winter quarters is reasonably certain to make a financial success of the poultry enterprise."

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MINNESOTA HAS TOO
MANY CREAMERIES, REPORT

Minnesota has too many creameries, it was reported this week by the Minnesota Extension Division. This conclusion was based upon a survey showing that the usual number of patrons furnishing butterfat to 175 cooperative creameries included in the study was between 100 and 200. The smallest of the group had only 40 patrons who delivered 36,000 pounds of butterfat during the year. A volume of business as small as this is clearly inadequate for effective operation, it was stated.

The Extension Service pointed out that patrons of such small creameries would increase their butterfat returns by delivering to larger neighboring creameries. The creamery with the largest patronage, processing the butterfat from 850 dairymen, demonstrated its efficiency by showing the lowest operating costs per pound of butter manufactured, the service said.

Copies of the full report are obtainable from the Minnesota Extension Service, St. Paul.

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WOOL PRODUCTION in 1937 was estimated this month by the Bureau of Agricultural Economics at 432,544,000 pounds, of which 366,344,000 pounds was shorn wool, and 66,200,000 pounds pulled wool. Nineteen thirty-six production of shorn wool was 360,327,000 pounds, and of pulled wool 66,200,000 pounds.

MOHAIR PRODUCTION, including kid hair, was reported the largest in 5 years (in the 7 leading mohair producing States). Production was 16,558,000 pounds or 572,000 more than in 1936.

EXPORTS OF FARM PRODUCTS during the 7-month period from last July through January had a value of \$567,155,000 of almost 20 percent more than during the corresponding period ending January 31, 1937. Outstanding were increased exports of wheat and flour ground from domestic wheat, total shipments equalling 58,253,000 bushels of wheat compared with 4,956,000 during the same months last year. There was a marked increase in exports of lard, fresh and dried apples, prunes and rasins, canned fruits, rice, cottonseed oil, cornstarch, and hops. Practically every producing area shared in the increased business.

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CALIFORNIA TO IMPROVE STANDARDIZATION LAWS

★ MAR 26 1938 ★
U. S. Department of Agriculture

The California Department of Agriculture recently held a conference of State Standardization Officials in connection with the enforcement of standardization laws designed to improve the quality, pack and maturity of fresh fruits and vegetables sold within the State. Uniform practices were outlined regarding the inspection of fruits and vegetables passing through highway standardization stations at State lines.

It was reported that the equivalent of 13,000 carloads of produce moved in or out of the State by truck last year, and that "only a few shipments were held for packing or reconditioning". Relationships of State standardization work to the successful operation of various State and Federal marketing programs were also discussed.

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MISSOURI HOLDING CREAM MARKETING MEETINGS

The holding of a series of 40 "better cream" marketing meetings in west-central and southwest Missouri was announced this week by the Missouri Department of Agriculture. The series completes a campaign which is being waged all over the State. Meetings are held with cream buyers to develop better understanding of the latest Federal and State methods for testing cream and other dairy products. Legal requirements for buying and selling cream on a graded basis are explained.

The Department also reported progress in administering the new State seed law, saying that "an overwhelming majority of the wholesalers and retailers are actively cooperating". The law requires that all field seeds offered in quantities of 1 pound or more shall bear the State permit number and complete labeling.

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MASSACHUSETTS STUDIES MAPLE SYRUP MARKETING

Citing results of marketing studies, the Massachusetts Extension Service is telling maple syrup producers in the state that the best outlets for their products are hotels which cater to tourist trade, boys' and girls' summer camps, tea rooms, roadside stands, and grocery stores. It was reported that producers increasingly are using glass containers in packaging maple syrup. The Service is suggesting to producers the possibilities of increasing mail order sales by means of classified newspaper advertisements and direct mail to potential consumers. They are urged to distribute sales throughout the year instead of concentrating marketings in the spring.

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BUREAU REPORTSPROSPECTIVE PLANTINGS

The BAE released this week its report on prospective plantings for 1938. Principal decreases were: Flaxseed 15 percent; spring wheat 6 percent; barley and beans about 5 percent; potatoes and soybeans 4 percent; corn, oats and rye 5 percent. Increases were: hay crops 4 percent; tobacco, grain sorghums and peanuts each about 5 percent. Nominal increases in sweetpotatoes and cowpeas were indicated.

The Bureau said the prospective plantings of corn and oats are below those of any recent years and 8 and 10 percent, respectively, below the 10-year (1927-36) averages. Plantings of potatoes also seem likely to be unusually light and flaxseed plantings may be only 40 percent of average, it was stated. Although smaller spring wheat plantings were indicated this year, a near-record acreage of all wheat growing next summer was indicated by the addition of winter wheat acreage which now seems likely to survive to harvest.

The Bureau pointed out, however, that it was too early for indications of prospective plantings to be precise, especially since many farmers reported they expected to adjust plantings to meet the requirements of the new Agricultural Adjustment Program.

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MARYLAND LABELINGBABY CHICKS

The Maryland State Department of Markets announced this week that "something new in the business of shipping baby chicks in Maryland is the labeling of the chick boxes with a new State label that identifies the grade of chicks being shipped". Only hatchery operators whose flocks qualify for the breeding and pullorum testing stages of the Maryland poultry improvement plan are entitled to use the labels.

S. B. Shaw, Chief of the Department, said that the label which will be used most by hatchery operators in Maryland is the one indicating that chicks qualify as Maryland-U.S. Approved, Pullorum-Tested chicks. It is expected that use of the labels will stimulate poultry improvement work in Maryland.

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NEW YORK FINDS GOODFARMERS "STAY PUT"

Figures recently gathered by the New York Extension Service from nearly 3,000 farm operators in four counties -- Allegany, Livingston, Otsego and Wayne -- show that "many men start their farming careers in low-priced or depression years". Those who stick to the land through low-priced years are among the most stable farmers, the Service said.

The survey revealed that "farmers who have been in the business longest are the men who move seldom or not at all. The most stable farmers are those who are making farming a life work and who belong to several organizations." The farmers with the best schooling are likely to stay on the first farm they choose, whereas, men with no schooling or with only grade school education are less stable, it was stated.

FARM PRODUCTS PRICES
HOLDING STEADY

The Bureau of Agricultural Economics said this week it looks for no marked change during the next few months in the level of prices received by farmers. Prices of farm products as a group have been holding fairly steady recently, following a decline of nearly 30 percent since last summer.

Some irregular improvement from price levels of industrial activity is expected during 1938 but the Bureau said it would be "not enough to result in any marked increase in domestic demand for farm products". A continued increase in exports of farm products was reported. Exports are expected to increase more since the signing, on March 7, of the reciprocal trade agreement with Czechoslovakia.

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NEW HAMPSHIRE ESTABLISHES
MAPLE GRADES

New Hampshire maple syrup producers were urged this week by the New Hampshire Department of Agriculture to use the State grades which have been set up by that Department. Use of the grades is voluntary but when maple products are sold on a grade basis, they must comply with the State grading requirements. Copies of the grades, as well as color sets and New England "Quality Labels" are obtainable from the Department at Concord, New Hampshire. The Department has also issued a booklet containing a list of producers of maple products.

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MORE TURKEYS TO
BE RAISED THIS YEAR

A 6 percent increase in the number of turkeys to be raised in 1938 compared with 1937 was reported this week by 3,538 turkey producers to the Bureau of Agricultural Economics. The producers said they intend to hatch 5 percent more turkey poults this year than last and to buy about 8 percent more than last year. Many of those reporting are commercial producers.

The Bureau stated, however, that since this is the first time intentions reports have been obtained from turkey producers, there is no basis for determining the extent to which the data may indicate actual changes in the total United States turkey crop.

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COTTON GRADE AND
STAPLE REPORTS

Dates for the issuance of cotton grade and staple reports covering the 1938 crop were announced this week by the Bureau of Agricultural Economics. Reports on the 1938 crop will be issued a few days earlier than were those on the 1937 crop. This is made possible through the cooperation of cotton growers and ginners in promptly shipping to the Bureau samples of cotton ginned.

The reports are scheduled for release as follows: October 18, 1938 (12 o'clock noon) on cotton ginned prior to October 1, 1938; November 18, (12 o'clock noon) on cotton ginned prior to November 1; December 19 (12 o'clock noon) on cotton ginned prior to December 1; April 12, 1939 (12 o'clock noon) on the total 1938 crop.

IOWA STUDYING OLD
FARM PRICE RECORDS

Iowa State College announced this week that in cooperation with the Bureau of Agricultural Economics and the Iowa State Planning Board, a search is being made for old farm price records, records of dealers in farm products, and other records which contain evidence of prices paid farmers in the early days of the State. It was announced that a series of farm prices going back to 1910 is now available, but the researchers want to extend the series back to earlier times.

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PENNSYLVANIA PROGRAM
SELLS POTATO CROP

Secretary J. Hansell French of the Pennsylvania Department of Agriculture reported this week that progressive growers in the State have expedited the movement of their big 1937 crop by grading their potatoes and using the Department's inspection service. He said that the second successful year of the State's potato marketing program is now nearing its close. Under this program, in which producers and distributors are cooperating, there is an inspection force of 200. One of the largest potato distributors in the State was reported to have doubled his sales by using a special consumer package bearing a blue keystone trade mark of Pennsylvania, designating the product as having been graded and inspected for quality.

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CONNECTICUT ESTABLISHES
LAWN SEED GRADES

Commissioner King, of the Connecticut Department of Agriculture, announced this week that grades for "the common garden varieties of lawn seeds" have been established at the request of leading seedsmen of the State who believe that purchasers are entitled to know how to distinguish good mixtures. Three grades have been set up to be known as "Gold Seal", "Blue Seal", and "Red Seal". The seals are issued at cost by the Connecticut Department. Commissioner King said the Department feels that the lowest grade - "Red Seal" - is of better quality than many of the mixtures now on the market.

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A LIST AND DESCRIPTION of "Economic Reports and Services" is obtainable from the Bureau of Agricultural Economics. Other mimeographed reports available include: "Refrigerated Warehouse Space Survey as of October 1, 1937"; "Revised Rules and Regulations for Carrying out the Provisions of the Perishable Agricultural Commodities Act"; "How to Grade Soft Winter Wheat"; "Estimating Yearly Changes in Fluid Milk and Cream Consumption in Cities and Villages"; "Quality of Cotton Ginned in the Irrigated Southwest, Crops of 1928-36"; and, "Estimated Monthly Cotton Marketings by Farmers in Percentage of Year's Sales for the Crop Years 1924-36". Deal reports include: "Marketing Western New York Celery, 1937 Season"; "Marketing California Asparagus"; "Marketing Western New York Peaches"; "Marketing Imperial Valley Lettuce"; and, "Marketing Western New York Peas".

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 23, 1938

Vol. 18, No. 12

PENNSYLVANIA HAS
MANY NEW SERVICES

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☆ APR 2 1938 ☆
U. S. Department of Agriculture

New services organized by the Pennsylvania Department of Agriculture during 1937 included establishment of a clearing house for complaints against produce dealers, adoption of official colors for the identification of graded Pennsylvania farm products, and expansion of cannery fruits and vegetables inspection work.

Secretary French of the Department reports that Bang's disease eradication was placed on the area plan for the first time, bovine tuberculosis infection was kept under the one-half of 1 percent requirement, and barriers against the importation of diseased cattle into the State were strengthened. Filled milk, a compound of skim milk and vegetable oils, was outlawed in the State by the Department.

Marketing publications obtainable from the Department (Harrisburg, Pa.) include "The Pennsylvania Fresh Egg Law", "Apple Utilization Chart", and "Poultry Standardization Rules and Regulations".

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NEW LOUISIANA MARKET
FAVORED BY FARMERS

The Agricultural Committee of the New Orleans Association of Commerce recently reported that South Louisiana farmers brought to the farmers' section of the French Market in New Orleans last year, nearly 2,800 carloads of fruits and vegetables. Approximately 2,000 farmers from 28 Louisiana parishes and from the States of Texas and Mississippi registered to sell products.

The Committee said the market is becoming an important point for the purchasing of supplies by large truck operators who carry Louisiana products to consuming markets in surrounding States. Truck routes over an area of 500 miles from New Orleans have been established.

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NEW YORK LAUNCHES
APPLE SALES CAMPAIGN

A 10-weeks' apple sales campaign to sell more than 3,000,000 bushels of apples is under way in New York State, sponsored by the New York Department of Agriculture and Markets and cooperating agencies. Public agencies all over the State are helping to promote the sale by press and radio publicity; chain stores are putting on apple displays; restaurants and hotels are featuring apple dishes on menus; posters,

leaflets and booklets about apples are being distributed; newspapers and magazines are publicizing apples. The campaign is being financed by voluntary contributions by apple growers, warehouse men, dealers and others.

Commissioner Noyes of the Department announced that "with upwards of 4,000,000 bushels of apples in storage in New York State on March 1, it is in the public interest that this food be placed on consumers' tables at the earliest possible moment. I am convinced there is a market for all these apples and it is to stimulate that market that this campaign is undertaken. The 1937 apple crop was the largest in years. If we are successful in telling the consuming public about the advantages of eating and serving apples, we will have done a service for the producer, the middleman and the consumer."

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CALIFORNIA REPORTS

"HEAVIEST PENALTY"

The California Department of Agriculture reported this week "the heaviest punishment ever visited on a violator of the State Produce Dealer's Act". In the Superior Court of Riverside County, C. A. Burt, a Southern California fruit and vegetable buyer, was sentenced to 1 year's imprisonment in the county jail and to pay a fine of \$500 on each of two counts, the sentences to run consecutively.

Violation of the Act consisted of failure to pay for 10 cars of potatoes purchased from 5 Riverside County growers, and of operating without a license. Burt skipped out of the State, but upon his return was apprehended. He plead guilty on two out of five violation counts charged.

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FARM CASH INCOME

CONTINUES DECLINE

In the first 2 months of 1938, farmers' cash income from marketings totaled \$1,059,000,000 compared with \$1,143,000,000 in the corresponding period of 1937, it was reported this week by the Bureau of Agricultural Economics. The income from crops was \$415,000,000 compared with \$490,000,000 last year; the income from livestock and products was \$644,000,000 compared with \$653,000,000 last year. Government payments were \$48,000,000 compared with \$95,000,000 during the 2 months of 1937.

The Bureau said that "with the outlook for no marked change in consumer-demand conditions in the near future, it is expected that cash income during the next 4 months will continue below last year's level."

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ARMY BUYING CANNED CHEESE

The Bureau of Dairy Industry recently reported United States Army purchases of canned cheese for shipment to the Philippines, following cooperative trials of the product at various posts. The Bureau said that natural cheddar cheese is now being canned by two companies on the West Coast and by one company in Wisconsin.

ILLINOIS STUDIESEGG PROFIT FACTORS

The Illinois Extension Service reported this week 22 cents a dozen as the average cost of producing eggs on record-keeping farms in 1937. Costs ranged from a low of 12 cents to a high of 51. The studies showed that labor cost per bird and per dozen eggs is twice as high on flocks of 100 to 150 hens as on flocks of 300 to 400. Egg production a hen was found to be larger in flocks of more than 300 birds than in smaller flocks.

The Service found a wide variation in the cost of growing pullets. The average cost was 68 cents. One flock owner had built up such a demand for well-bred chicks and young breeding stock that sales of chicks, cockerels, pullets, broilers and springers more than equalled the cost of the entire rearing operations. At the other extreme, the rearing cost in the high-cost flock was \$2.22 a pullet.

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FOOD, DRUG OFFICIALSREPORT MANY SEIZURES

Each month the United States Food and Drug Administration issues a long list of food seizures and criminal prosecutions. In its March report the statement is made that the cases involving foods presented the usual range of violations: cabbage carrying excess poisonous spray residue, short weight bread, butter containing less than the prescribed minimum of butterfat, unclean crab meat, bad canned salmon, worthless flavorings, and "3,200 sacks potatoes below U.S. Grade No. 1, although marked with that grade designation." Seizures included slack-filled cans, and substandard canned foods "masquerading as standard articles."

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LAMB FEEDING COSTLYTO IOWA CLUB GROUP

C. W. McDonald, Iowa State College extension animal husbandman, reported this week that "richer in experience but somewhat flatter in the region of the pocketbook, 475 club boys and girls have closed their western lamb feeding projects for this season."

Mr. McDonald reported that "the average lamb fed by the club members weighed 91 pounds at the end of the project, and brought an average price of \$8.57. Because of the drop in the lamb market following the purchases of the feeder lambs in September and October, the boys and girls did not clear enough over original cost to pay for all of the feed used."

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PLENTY OF FEEDGRAINS REPORTED

The Bureau of Agricultural Economics said in an outlook report issued this week that "a below average acreage and production of feed grains, but an ample supply per grain consuming animal, is in prospect

for the 1938-39 feed grain marketing year, if the acreage planted this spring is about the same as indicated by the prospective planting report of March 1, and if the 1938 growing season is about normal."

The prospective corn acreage to be planted, based on reports from producers on March 1, is 94,595,000 acres, and the prospective oat acreage is 36,333,000 acres. These indicated acreages are slightly below the small acreages planted last year. The Bureau pointed out, however, that the reduction in output of feed grains is likely to be about offset by the prospective large carry-over.

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STORAGE LOCKERS INCREASING FAST

Latest report on the storage locker situation -- the installation and use of lockers has grown now to Nation-wide proportions -- was received from the Illinois Extension Service this week. It was reported that by January 1 next, "probably 100 cold storage lockers will be in operation in the State."

Thirty-four plants are now functioning in Illinois, and 35 more are being planned or are in process of construction. By midsummer, it is expected 50 or 60 plants will be operating. About two-thirds of the plants now operating are privately owned, and the remainder owned cooperatively. Most of the plants are set up as independent units, but some are operated in connection with ice and cold storage plants, dairies and creameries; one is located in a drug store.

New construction features were reported, such as a vestibule between lobby and locker room, separation of chill room into pre-chill room and aging room, use of a pass-in door from cutting room to sharp-freeze room, and use of baskets or trays in transferring meat from cutting room to sharp-freeze and locker rooms.

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NEWS BRIEF FROM BAE

PRICES of spring lambs from late April through June probably will average lower than a year earlier; slaughter supplies of sheep and lambs during late spring may be no larger this year than last, but consumer demand for meats will be weaker and prices of pelts lower than a year earlier -- unless there is a marked upturn in industrial activity and employment.

CURRENT wheat prospects in the United States indicate possibility of another large wheat crop for 1938, and favorable growing conditions in European wheat areas point to larger supplies of European grains from this year's harvests. Less favorable conditions between now and harvest, however, may materially alter the outlook for production and prices.

RELATIVELY low prices for the popular winter fruits have attracted consumers; the movement of fruits into consuming channels continued heavy during the past month. Stocks of most canned fruits are relatively large this spring. An exception is California canned pears, January 1 stocks being reported at 37 percent less than on that date last year.

NUMBERS of cattle on farms, January 1, were the smallest since the peak reached in 1934. The figures probably represent the low point in the current cattle cycle; some increase in numbers is likely this year.

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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APPLE GROWERS URGED TO STANDARDIZE PACKS

Urging apple growers to standardize packs, to leave culls and the lowest grades for disposal in by-products, and to inform the public of the value and uses of apples, the Massachusetts Extension Service said this week "there is always going to be a market for quality apples, pears, and other deciduous fruits that can be sold at a reasonable price."

Despite the decline in apple consumption since the turn of the century, it was stated, "the Massachusetts grower who can turn out a quality product at a reasonable cost need have no fear for the future." Figures were cited showing a per capita apple consumption of 103 pounds in 1899 whereas consumption for the period 1930 to 1934 was about 54 pounds. "Undoubtedly, one factor (in the decrease) has been the phenomenal development of the citrus industry," it was stated.

"But the better growers do not fear citrus competition; citrus fruits can never replace deciduous fruits entirely, because their uses do not coincide," the Service added.

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NORTH CAROLINA TO HAVE "SWINE-GRADING" SERVICE

Definite arrangements for providing North Carolina hog producers with a "swine-grading service" are well under way, it was reported this week by the North Carolina Extension Service. Service representatives have been conferring with packers and with representatives of the United States Department of Agriculture in regard to training men for this work. The graders, it was announced, will be supplied by the Bureau of Agricultural Economics. Packers have offered the use of their coolers as laboratories during the training period.

The North Carolina Service hopes to have the hog-grading service in effect "in time for the next marketing season".

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NEARLY HALF NEW YORK FARMS ARE MORTGAGED

Probably about 45 percent of New York farms are mortgaged, it was stated this week by the New York State College of Agriculture. In studies, the College has learned there is "a definite relationship between good farm lands, modern conveniences, and the ability of farmers to repay

loans." In southern New York, 44 percent of the loans made on the poorest farm lands could not be met, while only 11 percent defaulted on the best land. Loans for a period of 20 years are more likely to be paid than those made for a period of 33 to 36 years, it was stated.

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COMMUNITY FORESTS

FOUND TO BE PROFITABLE

Community forests are paying as they grow in many sections of the United States, it was stated this week by the Forest Service. Among towns and cities reporting returns from their forests is Newington, New Hampshire, which has sold \$6,000 worth of timber and has about the same amount left. Concord, New Hampshire, has sold \$16,000 worth of timber and estimates that it has \$50,000 of merchantable pine remaining. Peter-sham, Massachusetts, sold \$5,200 worth of timber and estimates indicate it will receive \$50,000 from timber sales during the next 40 years. West-field, Massachusetts, with a watershed forest of 5,000 acres estimates its annual return will be \$20,000 when its property comes into production.

The Forest Service reported there are 1,097 town and community or watershed forests in 27 States; that some 50,000,000 acres of land largely in the eastern States are particularly suited to ownerships and management for forest production by State or local public agencies.

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MISSISSIPPI URGING

LIVESTOCK EXPANSION

Citing figures showing a marked increase in livestock production in Mississippi in recent years, Commissioner J.C. Holton of the Mississippi Department of Agriculture is urging farmers to expand the industry more, since "Mississippi still does not produce a sufficiency of livestock and livestock products for home needs."

The figures showed that since 1930 the number of sheep in the State has more than doubled, that the number of hogs and pigs has increased about 70 percent, and that the number of milk cows has increased about 40 percent. Commissioner Holton said: "We need more and better livestock on Mississippi farms to balance production, take some of the hazards out of farming, put idle land to work, increase soil fertility, and add to the total farm income."

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FARM PRODUCTS PRICES

INDEXED AT NEW LOW

The farm products price index for March was reported this week at 96 percent of pre-war - the lowest figure in 41 months - by the Bureau of Agricultural Economics. The index dropped 1 point during the last month of record; the mid-March figures was 32 points less than at the corresponding time in 1937. The ratio of prices received to prices paid was 76 percent of pre-war in mid-March, or 21 points below a year earlier.

MARKET BUREAUS AID
NEW ENGLAND FARMERS

How farmers and consumers are aided by the New England Departments of Agriculture is described in the current weekly bulletin released by the Rhode Island Department of Agriculture and Conservation. Services include the development of grades and standards for products, and the dissemination of market reports. Bureaus of Markets have been established for the purpose of standardizing and correctly labeling locally grown products for identification by the consumer, it is stated.

"Improved packaging and more careful grading of such commodities as eggs, apples and potatoes certify to the consumer that he is obtaining exactly what is stated on labels, the use of which is controlled and regulated by these State agencies," according to the bulletin.

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FEWER FARM FORECLOSURES
IS REPORTED BY F.C.A.

Farm foreclosure sales were nearly one-fourth less during the last quarter of 1937 than during the last quarter of 1936 and 40 percent less than the corresponding period of 1934, according to the Farm Credit Administration. Practically all classes of mortgage lenders showed a smaller number of foreclosures, with insurance companies showing the largest decrease, it was stated. The reduction in foreclosure sales was general for the entire country, except for a slight increase in the Berkeley district, which includes California, Nevada, Arizona and Utah.

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LOUISIANA BERRY GROWERS
HOPE FOR GOOD SEASON

The Agricultural Committee of the New Orleans Association of Commerce reported this week that "the strawberry deal is getting away to a very favorable start as shipments for the early crop have exceeded expectations and prices have reached a satisfactory average figure. The new growers' organization has established a number of decided improvements in the marketing of the crop... From present appearances, this season will go down in history as an outstanding one along production and marketing lines."

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CALIFORNIA REPORTS HEAVY
ENFORCEMENT COLLECTIONS

The California Department of Agriculture reported this week that "collections made on behalf of California growers and producers by the Division of Market Enforcement, so far this year, exceed the total of any previous year for the same period." More than \$130,000 was collected and returned to 154 growers during the first quarter of this year. The Department announced that "growers of fruits and vegetables, whether their product is sold fresh or for canning or drying purposes, may file claims with the Division when buyers or handlers fail to fulfill the terms of contracts or agreements."

NEWS BRIEFS

UNITED STATES STANDARDS for watermelons, effective March 28, have been issued by the Bureau of Agricultural Economics.

COPIES of the Vermont Apple Grading Law are obtainable from the Vermont Department of Agriculture. The law provides for certain required markings on all containers of apples packed, distributed, offered, sold or exposed for sale and is mandatory on producer, distributor, retailer, roadside stand operator alike except as stated in the law. The law was enacted last June.

THE DEPRESSION probably increased the amount of farm-home-produced food, and interrupted the trend toward specialized farming and less home-production of foods not a part of the main farm enterprises, according to the New York College of Agriculture.

A BULLETIN, "Family Incomes and Land Utilization in Knox County", is obtainable from the Kentucky Experiment Station, Lexington, Kentucky. It deals with subjects such as tenure status and capital investment of operators, farm receipts and spendable income, family living furnished by the farm, farm expenses, land utilization, cost of clearing land, land classification, use of land in different classes, and the farm family.

WHOLESALE PRICES of nearly all truck crops have been lower recently than in mid-March of 1937, it was reported this week by the Bureau of Agricultural Economics. Preliminary estimates of planted acreages of early vegetables and prospective acreages of intermediate and late crops for markets indicate a combined acreage of 19 truck crops about 2 percent larger than in 1937 and 19 percent more than the 5-year (1928-32) average.

THE GENERAL OUTLOOK for all types of tobacco in 1938-39 is not so favorable as in 1937-38, the Bureau of Agricultural Economics said in its current Tobacco Situation and Spring Outlook Report. Prospective plantings of tobacco growers as of March 1 indicated an increase in total area planted to all types of 4.6 percent over the 1937 harvested area.

THE NEW YORK STATE CAMPAIGN to sell 3,000,000 bushels of apples during the next 2 months got off to a flying start this week, with producers, warehousemen, wholesalers and retailers cooperating. An extensive advertising campaign is under way.

"ORCHARD FARMING in Pennsylvania, Virginia, and West Virginia" is the title of a farm-management and cost-of-production study, of which copies are obtainable from the Bureau of Agricultural Economics. Recent "deal" reports obtainable from the Bureau include "Marketing the Michigan Apple Crop, 1937 Season", and "Marketing Texas Vegetables, 1936-37 Season".

A "SUMMARY of Federal and State Laws Pertaining to Containers for Fruits and Vegetables" is obtainable from the Bureau of Agricultural Economics.

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GEORGIA PEACHES TO BE ADVERTISED

RECEIVED
★ APR 23 1938 ★
U. S. Department of Agriculture

The Georgia peach is the latest addition to the growing list of advertised farm products. The Georgia Association of Peach Growers with headquarters at Macon has been formed for this purpose, and a Nation-wide program will be under way when the peach crop starts to move in June. The new organization is reported to have raised several thousand dollars to date for the campaign. The Georgia Peach Growers Exchange recently reported the results of a peach orchard survey in the State, indicating that this year's crop "will likely be 25 percent below normal."

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MISSISSIPPI MARKET SEASON UNDER WAY

The Mississippi Department of Agriculture announced this week that "starting about three weeks earlier than usual, the annual movement of fruits and vegetables is now beginning in the trucking area of Mississippi with carlot shipments of English peas and cabbages. Scattered shipments were made during the week of March 29-April 2. The first carload of peas was shipped last year on April 20, and the first carload of cabbage on April 19."

Commissioner Holton of the Department said that Mississippi producers of fruits and vegetables are constantly seeking to expand in fields of production not already fully occupied. He cited as examples "expansion of the movement of Irish potatoes from 130 cars in 1933 to 963 cars in 1937, and of watermelons from 34 cars in 1933 to 472 in 1937."

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MINNESOTA SEEKS TO BETTER BERRY MARKETING

Appointment of a State committee to study the marketing problems of berry growers has been announced by the Minnesota Extension Division. The committee, proposed by growers, has been given unanimous approval by representatives of the principal fruit growers' associations. The committee will investigate the practicability of a Statewide marketing organization, to develop standardization and marketing programs. Chairman of the committee is W. H. Alderman, chief of the division of horticulture at University Farm.

ILLINOIS PUBLISHES PAPERS
ON COOPERATIVE MARKETING

A group of papers on dairy, grain and livestock marketing at a cooperative marketing conference at the University of Illinois, in January, has been assembled for distribution by the Illinois College of Agriculture at Urbana.

Some titles are "The Social and Economic Aspects of Cooperation", "Looking Ahead in Cooperative Dairy Marketing in the Chicago Area", "Looking Ahead in Cooperative Dairy Marketing for Illinois as a Whole", "Grain Marketing", "Livestock Marketing", "Livestock Auction Markets in Illinois", and "How Cold Storage Lockers May Affect Livestock and Meat Distribution".

As to the latter-named subject, R. J. Eggert of the University of Minnesota declared there are more than 1,000 cold storage locker plants now operating in the United States.

CALIFORNIA EXPLAINS
APPLE MARKING LAW

The California Department of Agriculture announced this week that recent legislation requires that all apples sold fresh in that State must be clearly and conspicuously marked as to grade. Formerly, only apples sold in boxes bore grade designations. The Department said that shipments from other States must be properly labelled or re-marked before being re-offered for sale.

California retailers of grapefruit were told that "it is unlawful to stamp grapefruit with the name of an originating section or State other than the true section or State in which the grapefruit was produced." Complaints had been received recently that "retailers labeled grapefruit with designations to deceive customers as to the origin of the fruit."

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NEW YORK TO LAUNCH
MILK ADVERTISING

"Early launching" of the 1938-39 milk advertising campaign, authorized by the Legislature and approved by Governor Lehman, was announced this week by Commissioner Noyes of the New York Department of Agriculture and Markets. Appointment of Daniel M. Frisbie of Schoharie as Director of the Bureau of Milk Publicity also was announced.

Progress in the apple advertising campaign under way in New York State was reported, with apple growers, storage warehouse operators, newspapers, radio stations, retailers and consumers cooperating to move more than 3,000,000 bushels of apples before the season ends.

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LOUISIANA URGES
COTTON SEED TESTING

The Louisiana Extension Service this week urged growers in Louisiana "to have a germination test made of cottonseed before planting or to plant a small quantity of seed early in order to determine whether it will

give a good stand." It was explained that "due to unfavorable weather conditions at harvest time, a great proportion of the cottonseed saved for planting this season will show a low germination."

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JERSEY AUCTIONS BUSY
WITH EARLY GREENS

Early spring greens at a faster rate than normal with heavy deliveries of dandelions and broccoli-rab brought a rush of business to produce auction marketings opening last week for the new season in southern New Jersey, according to a report from the New Jersey Department of Agriculture. Rhubarb is also reported appearing in increasing volume. The auctions, it is stated, are moving the spring vegetables rapidly to market.

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GRADED MAPLE PRODUCTS
REPORTED IN DEMAND

The New York Department of Agriculture this week reported growing consumer demand for graded pure maple products as evidenced by many consumer inquiries as to where the pure maple sweets can be purchased.

Webster J. Birdsall, Director of the Bureau of Markets explains that "all graded maple products must be free from foreign substitutes. The grades shown on the labels merely designate light and dark colors; otherwise, the products are similar." He added that maple trees were tapped later in Northern New York than in other sections of the State, and that "considerable variation has been noted in the flow of sap. Quality of the finished product, however, is high."

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NORTH DAKOTA RUSHES
LIVESTOCK IMPROVEMENT

The North Dakota Extension Service reported this week that purebred beef and dairy bulls have been obtained recently by 137 farmers in 36 counties in connection with the livestock improvement work being pushed by the North Dakota Livestock Breeders Association and the North Dakota Extension Service, cooperating.

The Service said that under the sire loan plan set up last fall, stockmen who need herd sires can obtain the necessary cash through the Mutual Aid Corporation, organized by the livestock breeders association. Loans are made to farmers at a low rate of interest for 3 years, repayable in annual installments. To date, about \$10,000 has been loaned to finance the livestock improvement work. It is expected that North Dakota farmers will be aided in the purchase of 500 purebred bulls this year. A committee has been set up in each county to approve loans.

NEW JERSEY COUNCILSEEKS BETTER FARM MARKETS

Agricultural products are among the first to receive attention in the promotion of the resources of New Jersey, by the New Jersey Council created by the State Legislature a year ago, it was reported this week by the New Jersey Department of Agriculture. The Council consists of 16 members, most of whom are heads of State departments.

The Council is cooperating in fruit, eggs, and milk marketing campaigns, on the basis of New Jersey origin of these products, quality, freshness, proximity to market, and reasonable cost. It was stated that "the need for this work has become more apparent each year as New Jersey growers have been forced to compete in New Jersey markets with producers from distant areas who are promoting the sale of their products with well financed advertising campaigns."

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THE WEEK IN BRIEF

EGG PRICES apparently have reached the usual early year low point and will probably trend upward during the spring months, according to the Bureau of Agricultural Economics. Chicken prices, however, are tending downward and by mid-year may go below those of 1937, it was stated.

THE NEW JERSEY Board of Milk Control announced "a campaign of action against all chiseling milk dealers" in an effort to "break up unfair trade practices". An informal hearing has been scheduled at Trenton, April 14, for a discussion of problems with dealers, subdealers, and producer-distributors.

REGULATIONS governing the sampling and fat-testing of milk and cream were promulgated by the New York Department of Agriculture and Markets. All persons making official fat tests must be licensed by the Department. The regulations are binding upon all testers of milk for the purpose of determining the amount of milkfat contained in the milk where the result of the test is used as a basis for payment for milk or cream, for official inspection or for public record.

MORE THAN FORTY market gunners in Arkansas, Mississippi and Tennessee were apprehended recently by Federal game agents, for alleged illegal slaughter, transportation and sale of wild ducks, quail and woodcock. The men were charged with offenses under the Lacey Act and the Migratory Bird Treaty Act.

MIMEOGRAPHED REPORTS announced by the Bureau of Agricultural Economics included "Motor Truck Receipts of Fresh Fruits and Vegetables at San Francisco, 1937"; "Farm Mortgage Recordings - Iowa (1917-35)"; "Market News Broadcasting Schedule - 1938" and "United States Agricultural Trade With Canada - 1937."

DEAL REPORTS issued by the Bureau of Agricultural Economics included "California Pears - 1935-37"; "Marketing Western New York and Pennsylvania Grapes, 1937", and "General Review Wisconsin Potato Season, 1937-38."

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

RECEIVED
A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 13, 1938

U. S. Department of Agriculture

Vol. 18, No. 15

ATLANTIC STATES MARKETING OFFICIALS PROGRAM SPRING MEETING

Annual Meeting at Washington to Study
Current Marketing Developments

Many Prominent Officials on Program

The 1938 spring meeting of the Atlantic States Division of the National Association of Marketing Officials will be held at Washington, D.C., April 25 and 26. George E. Prince of South Carolina Extension Service, as Secretary of the Atlantic States Division, has announced a program covering developments and improvements in city and terminal markets, economic facts about food consumption, poultry and egg auctions, the enforcement of Federal grades, personnel problems in Federal-State inspection services, new developments in processing fruits and vegetables, potato marketing agreements, and the advertising of agricultural products.

President of the Atlantic States Division is H. A. Dwinell of the Vermont Department of Agriculture. The first speaker on the program will be C. W. Kitchen, Assistant Chief, Bureau of Agricultural Economics, who will address the meeting on contributions of the Bureau to State marketing programs. The development of city markets, both city-owned and State-owned will be discussed by George H. Geddes of the Rhode Island Department of Agriculture, and Hamilton Ralls of the Georgia Department of Agriculture. Improvements in terminal markets will be covered by W. C. Crow of the Bureau of Agricultural Economics.

A program for the development of more timely crop information will be outlined by W. W. Oley of the New Jersey Department of Agriculture; some economic facts about food consumption will be presented by G. W. Hervey of the Agricultural Adjustment Administration; the subject of poultry and egg auction developments and the carrying of grades to consumers will be discussed by Leon Todd of the New Jersey Department of Agriculture.

New developments in the enforcement of proper Federal grade terms has been listed as the subject of an address by W. A. Sherman of the Bureau of Agricultural Economics; personnel problems in Federal-

State inspection will be covered by Robert Bier of the Bureau of Agricultural Economics; the effect of the buying program of the Federal Surplus Commodities Corporation will be discussed by H. C. Albin of that organization; new developments in processing fruits and vegetables, from the cannery standpoint, will be covered by F. C. Gaylord of Purdue University, and from the quick freezer's standpoint, by Dr. Frederick C. Blanck of the Bureau of Chemistry and Soils.

H. R. Tolley of the Agricultural Adjustment Administration has been scheduled to explain the new Agricultural Adjustment Act; the potato marketing agreements and other potato programs will be discussed by A. E. Mercker of the Agricultural Adjustment Administration; possibilities in the advertising of agricultural products, with State funds, will be covered by Harold F. Schnurle of the Maine Development Committee, and with association funds, by Carrol R. Miller of Appalachian Apples, Inc.

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NORTH CAROLINA HAS NEW FEED REGULATIONS

Feed rules and regulations adopted by the North Carolina Board of Agriculture went into effect April 1, in that State, making it mandatory for all manufacturers to "standardize" their products and set a limit to the "crude fibre, fat and protein content" of all livestock and poultry feeds.

Under the new rules, feed manufacturers are prohibited from selling feeds containing peanut hulls, oat hulls, clipped oat by-products, rice hulls, rice chaff, rice straw, barley hulls, sawdust, sand, dirt, soybean stems, corn stalks, cocoanut shells, or any substance "injurious to the health of animals and such materials having little or no feeding value."

It was explained that "heretofore the only requirement of the manufacturer other than the rules governing the correct labeling of his product was a rule requiring that the minimum protein in all mixed feeds should be 9 percent."

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NEW YORK REVEALS MILK HANDLING COSTS

It cost 4 cents a quart for farmer-distributors to handle, process, and distribute milk in New York State in 1936, according to E. M. Hughes of the New York State College of Agriculture. Sales and delivery costs were about half of this, or 2 cents a quart. Labor was found to be the largest item of expense - nearly half of the total cost. Truck and automobile costs were second, followed by expense of bottle caps and cases, heat, light, power, and bad debts.

The cost of selling milk at retail was found to vary in different parts of the State. Lowest cost was 3 cents a quart for producer distributors in the area around Albany; highest cost, nearly 6 cents a quart, was reported for Long Island distributors. Producers selling raw milk had higher costs than producers selling pasteurized milk, the added expense for pasteurizing equipment being offset by greater efficiency in handling the larger amounts of milk pasteurized.

MANY NEW YORKWOMEN KNOW APPLES

The New York Department of Agriculture recently tested the knowledge of women regarding apple varieties, at an exhibit in Albany. Five kinds of apples were on display. Of 6,322 women interviewed, 61 percent or 3,859 knew 4 out of the 5 apples and their best uses in the culinary arts. Most women knew more about Baldwin and McIntosh varieties, were a bit weaker about Northern Spies and Delicious, and a greater majority confessed ignorance about Rome Beauty. Men visiting the booth were free with advice about selection, but knew little about apples.

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ILLINOIS FEEDERS URGEDTO MARKET LAMBS EARLY

Illinois feeders were advised this week by the Illinois Extension Service to "crowd their lambs to get them on the market before heavy shipments arrive from early lambing States." The Service pointed out that in general the principal early lambing States had a mild winter and excellent feed conditions. "Indications are that the marketing of early lambs before July 1 will be materially larger than during the same period last year, and that the quality of the lambs will be much better," it was stated.

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NEW MEXICO STUDIESSHEEP MARKETING FAULTS

A series of sheep demonstrations is being held this month by the New Mexico Extension Service, at which faults common to most sheep owners in preparing wool and lambs for market will be discussed, and the proper methods explained. The demonstrations are being held at sheep ranches in 14 counties over the State. Standard wool grades, loaned by the Bureau of Agricultural Economics, will be displayed. The New Mexico Wool Growers' Association is cooperating in the meetings.

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SECRETARY WALLACEDISCUSSES RURAL RELIEF

The Federal program of rural relief designed to aid destitute farm families by extending small loans needed to carry on farming operations is described by Secretary Wallace in a special article appearing in the April issue of "The Agricultural Situation", monthly publication of the Bureau of Agricultural Economics. Six hundred thousand farm families have been helped in this way, the loans averaging \$300. Subsistence grants have been distributed among 500,000 farm families.

Other articles in the issue include "The Surplus Relief Purchase Program", "The Motor Truck Alters the Farm Picture", "New Foods for Old", and "Earnings of Food and Tobacco Corporations." An article on land speculation is entitled "The Call of the Land."

ILLINOIS REPORTS ON
COOPERATIVE GRAIN GROUPS

Every fifth farm in Illinois is represented by membership in one of the 377 cooperative grain marketing associations, according to a survey by the Illinois College of Agriculture. The study revealed a concentration of cooperative grain companies in the cash grain districts, with relatively few in the south and southeast. Average sales a company were \$178,000 worth of grain and \$25,000 worth of farm supplies for a total of \$203,000 for the year covered by the survey. Total sales for all companies amounted to more than \$75,000,000. The College said that one of the problems of cooperative grain associations as listed in the survey is that of maintaining an active membership.

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THE WEEK IN BRIEF

FARMERS are paying slightly higher wages to hired hands this spring than last. The farm wages index of the Bureau of Agricultural Economics was 115 percent of pre-war as of April 1, compared with 112 percent on that date last year. The supply of farm labor was reported at 93 percent of normal, and the demand for labor about 82 percent.

PRODUCTION of soybean oil for the first 3 months of the 1937-38 crushing season was the largest on record for any quarter, it was reported by the Bureau of Agricultural Economics. Production from October through December was 70 million pounds, 10 million more than in the same period last season. Consumption has not kept pace with production, and stocks of soybean oil at the end of 1937 were the largest on record.

MIMEOGRAPHED reports obtainable from the Bureau of Agricultural Economics include "The Perishable Agricultural Commodities Act - What It Means To You"; "Hay quality - Relation to Production and Feed Value"; "Marketing Imperial Valley Cantaloupes - 1937 Season"; "Preliminary Review - 1937-38 Season, Marketing Idaho Potatoes."

RESULTS of a study of the quality of potatoes sold at retail in various New York State communities were reported by the New York College of Agriculture in its April issue of "Farm Economics." The study revealed that "while only 3 percent of the stores handled New York potatoes which came within a strict interpretation of an official U.S. No. 1 grade, more than one-third ran from 90-94 percent of a U.S. No. 1 and almost one-half ran from 75-89 percent U.S. No. 1."

A FLOATING REFRIGERATED WAREHOUSE was recently launched at Knoxville, Tennessee, - a streamlined barge equipped for keeping produce fresh for a long time. It has storage space for 350,000 pounds of produce, after being frozen. The ship will ply the waterways between Knoxville and Chicago, Cairo, St. Louis, Cincinnati, Pittsburgh, and other northern points.

DOMESTIC DEMAND for farm products experienced some further weakness during the past month, as indicated by the movement of prices in relation to changes in supplies and by changes in business conditions, according to the Bureau of Agricultural Economics. Increased evidence of recession in business activity in foreign countries was reported.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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SIXTEEN STATES REPRESENTED AT SPRING
MEETING OF STATE MARKETING OFFICIALS

Discussions Cover New Developments
in Food Handling, Processing and
Marketing Techniques

★ MAY 7 1938 ★
U. S. Department of Agriculture

Representatives of departments and colleges of agriculture in 16 States, of Government agencies including the Bureau of Agricultural Economics, Bureau of Chemistry and Soils, Agricultural Adjustment Administration and Farm Credit Administration, and of various commercial organizations participated in the two-day annual meeting of the Atlantic States Division, National Association of Marketing Offices, at Washington, D. C., April 25 and 26.

Discussions included many subjects such as the development of city-owned and state-owned markets, improvements in terminal markets, programs for developing more timely crop information, the expansion of country auction markets, the enforcement of Federal grade terms, personnel problems in Federal-State inspection, and new developments in processing fruits and vegetables.

The first speaker was C. W. Kitchen, Assistant Chief, Bureau of Agricultural Economics, who stressed the importance of the Bureau's service, regulatory and research activities such as the standardization of farm products, inspection and market news services, the land utilization program being administered by the Bureau, the increasing problem of coordinating programs - in general the wide scope of the Bureau's work.

In the discussion which followed, the representatives of several States - New York, Illinois, New Jersey and Florida - said that the Bureau's research dealing with terminal markets is of great value; that the Bureau can be of great assistance in helping the States interested in meeting the modern needs for terminal markets.

The development of city markets was discussed by George H. Geddes of the Rhode Island Bureau of Markets. He said that farmer markets are a necessity, and described a farmer-organized market at Providence. Hamilton Ralls of the Georgia Department of Agriculture read a paper on the subject of state-owned markets.

Mr. Ralls said that in 1935 the Georgia Legislature passed a

bill "to provide for state farmers' markets under the direction of the Commissioner of Agriculture and for other purposes." Markets were established at Atlanta, Macon, Douglas, Valdosta, Thomasville, Glennville, Cartersville, and Gainesville, - all "with other than state funds." WPA funds and labor were used in some cases.

A paper on improvements in terminal markets, by W. C. Crow of the Bureau of Agricultural Economics, was read by F. V. Waugh of the Bureau in Mr. Crow's absence. Discussion on this subject was led by L. A. Bevan of the New Jersey Extension Service, who said that the "biggest problem is in coordinating and securing the cooperation of all concerned."

Crop and Market News

An "Outline of a Proposed Interstate Crop and Market News Service" was given by W. W. Oley of the New Jersey Bureau of Markets. He said the object is "to promote the regular exchange of crop and market information between important commercial fruit and vegetable producing and shipping areas of the United States, by means of a weekly market news letter, the plan to include all fruits and vegetables, except citrus fruits."

Cooperating agencies would be the state bureaus or divisions of markets, city and field offices of the market news service of the Bureau of Agricultural Economics, extension services of the various states, and commercial firms including both private and cooperative associations.

The news letter would include reports on weather and crop conditions, crop movement, and special features of general interest such as labor troubles, legislation involving crop movement, marketing agreements, and new developments in crop production or marketing. Mr. Oley said that this service should "supplement the present crop and market news services of the various states and the Federal Government, rather than attempt to supplant such services."

Food Consumption

"Some Economic Facts About Consumption," was the title of an address by G. W. Hervey of the Agricultural Adjustment Administration. He said that few families of the lower incomes have adequate diets, that only those spending around \$270 a year for food (per capita) are receiving an adequate diet. The consumption of foods vary as to income, he said, stressing the need for studies of consumer demand.

Leon Todd of the New Jersey Department of Agriculture discussed efforts being made in that State to increase the consumption of eggs. An egg advertising experiment was started early in February by the New Jersey Egg Marketing Committee, which is composed of 10 egg producers representing 8 cooperatives and 2 independent poultry organizations.

A test campaign is being operated at Montclair, Summit, Plain-

field and Westfield. The eggs are purchased at the regular sales on the Flemington auction market. They are candled under supervision of the New Jersey Department of Agriculture and placed in a specially designed carton. The printing on the carton emphasizes New Jersey State Certified Fresh Eggs. A state label is used to seal the cartons. About 100 cases are being sold each week.

Mr. Todd explained that "to the weighted average price paid to the auction for the eggs, there is added the cost of the services plus 8 cents profit for the retailer. The eggs are delivered directly to the stores or truckers. To date, the people handling the eggs have not sold them below a certain price; however, in some cases the price has been advanced.

"Once each week an advertisement appears in each of the local newspapers. Counter cards, window streamers and door signs are given to each store. Material will soon be available for soda fountain displays. This program suddenly placed the poultrymen in the distributing business. Deliveries to retail outlets are made on Monday and Thursday. At time of delivery, orders are taken for the next sale."

Potato Marketing

A. E. Mercker of the Agricultural Adjustment Administration discussed potato marketing agreements and other potato programs. He said the marketing program was approved by all states except Rhode Island and Texas.

New developments in the enforcement of proper Federal grade terms were discussed by Wells A. Sherman of the Bureau of Agricultural Economics, including the program for curbing the misbranding of fruits and vegetables. Personnel problems in Federal-State inspection of products were also described by Mr. Sherman.

Beneficial efforts of the buying program of the Federal Surplus Commodity Corporation were described by H. C. Albin of that organization. He cited many examples where products had been distributed among persons unable to buy them, thereby relieving the pressure of burdensome supplies on price to producers.

Processing Developments

The astonishing growth of the quick-freeze industry was described by Frederick C. Blanck of the Bureau of Chemistry and Soils. Many families, he said, have quit out-of-season consumption of vegetables in favor of frozen products. Some of the problems in the technique of freezing products were outlined. The speaker expressed the opinion that quick-frozen foods would not displace canned foods. The largest outlets for the frozen foods, he explained, are hotels, restaurants and other large feeding establishments; but he said that home consumption of these also is increasing. The need for research to learn the varieties of products best suited to the freezing process was stressed. Dr. Blanck said, also, that inspection and grading services were needed to certify the quality of frozen foods.

Paul Williams of the Bureau of Agricultural Economics spoke on the new development in cannery processing of foods, and urged the States inspection agencies to cooperate with producers and canners in reducing the time between harvesting and canning. He pointed out that this time factor is important in improving the quality of canned products.

World Poultry Congress

A progress report on the Seventh World's Poultry Congress and Exposition to be held at Cleveland, Ohio, July 28-August 7, 1939, was submitted by S. A. Edwards, Managing Director of the Congress. He said that at least 60 countries "will participate in this mammoth event. Every state in the Union is organized and has a committee charged with erecting a state exhibit. Final arrangements have been made to stage a World's Poultry Congress pre-anniversary on July 28, 1938."

John B. Hutson, Assistant Administrator of the Agricultural Adjustment Administration, outlined the provisions and program under the Agricultural Adjustment Act, of 1938, the holding of cotton and tobacco referenda, and the practically unanimous endorsement of the program by producers. He explained that the Act provides for continuing soil conservation programs such as were in effect during the past 2 years, and adds provisions designed to stabilize supplies for 5 major commodities - cotton, wheat, corn, tobacco, and rice.

Advertising Products

Carroll R. Miller, Secretary of Appalachian Apples, Inc., described the efforts of that organization in merchandising apples of producers in Maryland, Pennsylvania, Virginia and West Virginia during the past 2 years. The organization is financed by the producers. The first year a fund of \$19,000 was subscribed; the second year, about \$54,000. He stressed the importance of regional as contrasted with state efforts in solving merchandising problems, and said that apart from the commercial benefits of the campaign the development of a community of interest regardless of state boundaries among producers in the 4 States has been a commendable result of the Appalachian campaign. About 50 percent of the apple growers in the 4 States have participated in supporting the work.

In the ensuing discussion, led by H. M. Newell of the Illinois Department of Agriculture, the question of state versus private financing of campaigns was debated. In several states, the producers are being taxed to support such campaigns. Webster J. Birdsall of the New York State Bureau of Markets outlined the current apple advertising campaign in New York (this work has been described in preceding issues of "Marketing Activities"), and reported that a bill was recently signed by the Legislature providing for the labeling of farm products. The labels will be sold to the users, and the money spent to advertise the products.

As to state versus private financing of campaigns, Mr. Birdsall explained that although the state appropriated the money for milk advertis-

ing campaigns in New York during the last few years, the funds have been paid back to the State treasury through an assessment upon milk producers and distributors. amounting to $\frac{1}{2}$ cent per 100 pounds of milk delivered and handled.

Election of Officers

States represented at the sessions included Michigan, Illinois, New Jersey, New York, Florida, South Carolina, North Carolina, Ohio, Maryland, Delaware, Rhode Island, Virginia, Vermont, West Virginia, Connecticut, and Pennsylvania.

George E. Prince, Chief of the Division of Markets, Clemson Agricultural College, Extension Service, was elected as President of the Atlantic States Division for the ensuing year; V. P. Storrs, of the Connecticut Bureau of Markets, was elected as Secretary.

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CENTRAL MARKETS GET LIVESTOCK BUSINESS

The Illinois Extension Service reported this week that "central stockyards are becoming the first market for many Illinois farmers who before the advent of hard roads and fast trucks sold their livestock through local agencies." A survey of the situation covered 59 local shipping associations, 6 county livestock marketing associations, and 5 cooperative commission associations operating on central stockyards.

The survey revealed that the value of livestock handled by 5 commission associations on Illinois markets amounted to more than \$64,-000,000, by the 59 shipping associations less than \$6,000,000, and by the 6 county marketing associations less than \$3,000,000. A rapid decrease in the number of local livestock shipping associations during the past 10 years was reported.

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IOWA EXPECTS PROFITABLE SOYBEAN CROP THIS YEAR

The Iowa Extension Service said this week that Government "acreage intention" reports indicate that "soybeans will be a profitable crop in Iowa this year". While the state's prospective acreage is around 706,000 acres - same as a year ago - the national outlook is for a 4 percent decrease in plantings, the Service pointed out.

It was stated that "Iowa's soybean acreage can be most logically increased in the central and north central sections, where cash grain crops are now grown extensively and where the soil is less subject to erosion than farther south and east.

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NEW YORK SEES SALES OUTLETS FOR APPLE JUICE

Apple juice the newest product to make a bid for consumer favor, will provide an important by-product outlet for the apple crop, in the opinion of the New York State Department of Agriculture and Markets.

Canners, chemists and other specialists tried uncessfully for many years to can or bottle the juice of apples "without Nature taking its usual course", but the result always was a dark colored fluid which fermented, the New York Department said this week.

The new product was described as being light colored; it does not ferment; known by various names, it is distinctly not apple cider, nor is it preserved by any chemical to prevent fermentation. It is only the pure juice of the apple, light colored, crystal clear with the tang of the apple as if just picked from the tree."

Juice canners were reported as expecting that the new juice "will compete with orange, pineapple, grapefruit and tomato juice for a place on the family menu."

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NEW JERSEY WARNS AGAINST BUYERS

The New Jersey Department of Agriculture cautioned farmers this week against itinerant fruit and vegetable buyers who may not be licensed to purchase farm commodities in New Jersey.

Each spring, and continuing through the shipping season, it was explained, unlicensed dealers from outside the state as well as within New Jersey, travel about the farming areas attempting to buy produce from farmers who are willing to accept checks or extend credit even though the dealers are not licensed.

Cattle and produce dealers, and their agents, are required to have official identification cards issued by the New Jersey Department of Agriculture.

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NEW YORK EXTENDS FROZEN DESSERTS LAW

An Act of the 1938 Legislature in New York State extends the provisions of the frozen desserts law to include retail manufacturers of ice cream, with an annual license fee of \$2. Religious organizations and boarding houses that manufacture ice cream for consumption on the premises where manufactured are exempt.

Wholesale manufacturers have paid an annual license of \$50 since 1932. Extension of the provisions which already apply to wholesalers includes drug stores, restaurants, hotels, ice cream parlors, roadside stands, amusement parks, circus stands, and any other retail manufacturers. Failure to secure a license is a misdemeanor.

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NEW HIGH RECORD OF MILK PRODUCTION REPORTED

The Bureau of Agricultural Economics reported this week a new record high for April 1 production of milk and a February production of manufactured dairy products 8 percent larger than for the same month last year. Lower feed prices than a year ago and abundant early pastures were cited by the Bureau as major factors influencing milk production. The rate of milk production per cow in early April was the highest in 7 years.

RHODE ISLAND REPORTSSMALLER PRODUCE RECEIPTS

The Rhode Island Bureau of Markets recently completed a survey of receipts of locally produced and shipped-in crops handled on the Providence wholesale markets during 1937. It was found that receipts of local crops declined 13 percent, that carlot shipments were 1.3 percent less than in 1936, and trucked-in produce showed a 15 percent increase.

The Bureau noted that the increased use of the motor truck was more than proportionate to the lower receipts by car. This ever-increasing popularity of motorized transportation has been made possible, it was stated, by the miles of improved highways which now reach out from the center of our eastern cities, and the ever-increasing efficiency of motor vehicles.

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MASSACHUSETTS ROADSIDESTANDS ARE MODERNIZED

Stream-lined roadside stands are the latest addition to the Massachusetts scene, it was recently reported by the Massachusetts Extension Service. Instead of the haphazard heap of vegetables under a scrawling sign, the farmers were reported to be putting up well-designed buildings, landscaping the grounds, and going after business in a business-like way. The day of the rickety farm produce stand is done, it was stated.

The following requirements were listed: Stands should be visible for several hundred feet; the highway approach should be level in either direction; the building should be suitably and artistically designed; pleasing color schemes unmarred by miscellaneous advertising signs are most desirable; there should be ample parking space.

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CATTLE PRICE TRENDS VARY:MORE CATTLE ON FEED

Better grades of slaughter cattle may decline some in price during late spring or early summer, but prices of the lower grades are expected to stay near present levels, the Bureau of Agricultural Economics said this week. The Bureau pointed out, however, that prices of the better grades of cattle probably will advance seasonally in late summer and early fall, although the advance may not be very marked or long maintained unless business improves substantially in the next few months.

The number of cattle on feed in the Corn Belt April 1 was estimated to be about 20 percent larger than the very small number on feed in early April last year.

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"ESTABLISHING a Commercial Peach Orchard" is the title of a circular obtainable from the North Carolina Extension Service, Raleigh. It discusses locations, soils, sites, time of planting, age and grade of trees to plant, varieties to plant, setting of trees, cultivation, fertilization, and pruning.

OHIO STUDIES GAINS IN FARM LABOR INCOME

Studying reasons for variations in labor income among farms, the Ohio Extension Service reported this week that on 10 farms which furnished the larger labor incomes, the owners made more efficient use of both tractor and horse labor than on farms in lower income brackets. With tractors, the higher income group of farmers cared for 34.8 crop acres per man, compared with 30.2 crop acres for the other group. On the high income farms 39 crop acres were tended with each horse, but on the low income farms only 31.3 acres.

The survey revealed that 1 farm out of the 34 included in the study returned its owner more than \$2,500 as labor income; 3 returned between \$1,500 and \$2,000; 10 were between \$1,000 and \$1,500; 18 returned a labor income of less than \$1,000; 2 were operated at a loss.

Sales of dairy products from the first 10 farms averaged \$155 per cow, as compared with sales of \$131 per cow on the other farms. The yield increases per acre on the high 10 farms as compared with the others were 5.6 tons of silage, 10.6 bushels of corn, 8.1 bushels of oats, 2 bushels of wheat, and 96 bushels of potatoes.

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BUREAU REVIEWS DEMAND AND PRICE SITUATION

In its April demand and price situation report, the Bureau of Agricultural Economics noted continued weakness in the domestic demand for farm products, and increased evidence of recession in business activity in foreign countries which are markets for our farm products. The Bureau said that prices of products have declined as demand has weakened and are now the lowest in many months.

Farmers' income from marketings in March was larger than in February, but income for the first quarter was much smaller than in the first 3 months of 1937. Present supply and demand conditions, it was stated, indicate a cash farm income during the first half of 1938 about \$3,000,000,000 compared with \$3,503,000,000 in the first half of last year.

Reviewing the situation by commodities, the Bureau said that cotton consumption is less than had been expected...domestic prices are nearly 1 cent above the low point reached in early November but about 6 cents less than the comparatively high prices in the first half of April last year. Corn exports have continued heavy and "may continue large into the 1938-39 marketing year." Wheat prices improved in early April as result of increased export demand.

Compared with a year earlier, it was pointed out that the hog situation during the remainder of the marketing season - through September - will be influenced by a weaker consumer demand for meats, increased marketings of hogs, and smaller storage supplies. Cattle prices are expected to remain "relatively stable near present levels" during the next few months. The early spring lamb crop in principal early lambing States was reported "at least 15 percent larger this year than the small early lamb crop of 1937."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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SEVENTY-FIFTH ANNIVERSARY
CROP REPORTING SERVICE

RECEIVED
★ MAY 14 1938 ★
U. S. Department of Agriculture

The Bureau of Agricultural Economics is celebrating this month the Seventy-fifth Anniversary of the Crop Reporting Service. In May 1863 the first monthly crop report was issued. The Service was started with fewer than 2,000 crop correspondents. Today, there are more than 200,000 - men and women - many of whom report regularly on the condition of crops and livestock. There have been crop reporters in the same families of farmers covering a span of three generations.

Issuing the first monthly crop report - in May 1863 - Commissioner Isaac Newton of the United States Department of Agriculture stressed the need, because of "the relations between agriculture, manufacturers, and commerce" to publish, at brief intervals during the crop season, reliable information of the amount and condition of crops. The first crop report covered acreage and condition of wheat, rye, corn, oats, potatoes, sorghum and cotton in 21 States.

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NORTH CAROLINA SETS UP
POULTRY NEWS SERVICE

Establishment of a market news service on poultry and eggs was announced this week by the North Carolina Department of Agriculture. The United States Bureau of Agricultural Economics is cooperating. Reports are to be issued each Monday, covering prices paid for poultry and eggs in North Carolina, New York, Pennsylvania and District of Columbia markets. A. B. Harlems, senior marketing specialist of the North Carolina Department is in immediate charge of the service.

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DR. WARREN RETIRES,
DR. MYERS SUCCESSOR

The New York College of Agriculture announced recently the retirement on July 1 of Dr. George F. Warren, head of the department of agricultural economics at Cornell for the past 28 years. Dr. William I. Myers, governor of the Farm Credit Administration, will take over administrative duties as head of the Cornell department.

Dr. Warren will continue as professor of farm management at the college, and devote his time to research, writing and teaching. Dr. Myers had been professor of farm finance at Cornell before he was called to Washington in 1933.

PENNSYLVANIA DEFINES
LEGAL "FRESH EGG"

The Pennsylvania Department of Agriculture explained this week that "in the eyes of the law (in that State) a fresh egg is one of which the air cell must be not more than two-eighths of an inch in depth and must be localized and regular; the yolk must be visible but not plainly visible or mobile; the white must be firm and clear; the germ must not show any visible development." The Pennsylvania Fresh Egg Law prohibits advertising as fresh any egg not meeting these qualifications.

The Department issued an order this week dividing all eggs into two kinds: fresh eggs and just eggs. The order, effective June 7, stipulates that eggs, not legally fresh, can only be advertised as "eggs." The order was issued when dealers attempted to get around the law by inventing words and phrases which did not specifically call an egg fresh but led customers to believe they were buying fresh eggs.

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BETTER OUTLOOK FOR
OUR APPLES IN FRANCE

The Bureau of Agricultural Economics reported this week that a sharp upward swing in prices of American apples and pears in France during the past 30 days has completely changed the outlook for American fruit in the French market for the remainder of the season. Because of the higher prices, it is believed that most if not all of the quota specified by France will be filled and that exports during the remainder of the season will find ready buyers. The improved prospect is attributed to short supplies and higher prices of oranges, increased demand for apples and pears from the provincial regions, the closing of the Argentine Bartlett pear season, and the well-regulated flow of supplies from the United States during the past 2 months.

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NORTH CAROLINA REPORTS
HATCHERIES "PROSPEROUS"

The North Carolina Department of Agriculture recently reported "North Carolina poultry hatcheries are enjoying the greatest wave of prosperity in their history." It was announced that all hatcheries in the State were booked for orders through April and that many commercial producers, for the first time, were shipping chicks into the large poultry centers of the Nation.

"Adoption of strict hatchery regulations, increased demand for quality eggs, and the shortage of poultry raised in North Carolina for home consumption," were said to be "factors contributing to the prosperity."

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MIMEOGRAPHED COPIES of a paper entitled "Improvements in Terminal Markets", presented by William C. Crow of the Bureau of Agricultural Economics at the annual spring meeting of Atlantic States Marketing Officials last week, are obtainable from the Bureau. Other mimeographs include "Advantages of an Adequate Coding Plan for Canned Fruits and Vegetables" by Paul M. Williams, and "Constructive Measures for Dealing with the South's Population Problems" by Carl C. Taylor.

LOUISIANA BERRIES
WIDELY MARKETED

The Louisiana strawberry deal was characterized by light yields, light shipments, a fairly good demand during the early part of the season, and average prices somewhat higher than a year ago, according to a review issued by the Bureau of Agricultural Economics. Acreage was the largest in five years, but the crop did not develop as rapidly as had been expected, and shipments were about 900 cars less than in 1937 when 3,333 cars moved.

Wide distribution of this season's berry crop was noted, carlots being shipped to about 100 markets in 30 States, the District of Columbia, and Canada. Shipments were billed to points as far west as Seattle; as far east as Portland, Maine.

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NEW JERSEY INCREASES
VITAMIN D MILK PRICES

The New Jersey Board of Milk Control announced this week an increase of 1 cent per quart in the retail price of Vitamin D. Milk. This is the first time the Board has designated a definite retail price on Vitamin D milk, the advance over other milks being made "because of higher costs of production on this particular grade. The Board also announced hearings for a number of dealers to show cause why their licenses should not be revoked for selling milk and cream below prices established for the industry.

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CALIFORNIA DEPARTMENT COLLECTS
MILLION DOLLARS FOR GROWERS

The California Department of Agriculture reported recently its Division of Market Enforcement has obtained recoveries and adjustments of \$1,000,000 for growers during the past 5 years. Laws permitting farmers, producers and growers of farm products to file claims directly with the Department include the Produce Dealers Act, Processors Law, the Milk Marketing and Stabilization Law, and related statutes. All receivers of farm products must be licensed under these laws, and in some cases to post bond. Provisions of the regulatory laws require licensees to make payments to producers in accordance with the terms of contracts. Suspension or revocation of license is the penalty for failure to make such payments; the laws also impose penalties for unlicensed operations.

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NEW YORK CAMPAIGN
SELLS MANY APPLES

The New York State campaign to move surplus stocks of apples into consumption was reported this week by the New York Department of Agriculture "a success." More than 2,000,000 bushels of apples out of a total of 3,500,000 bushels have been sent into trade channels, with the campaign at only the half-way mark. Continued success is expected to clear the burdensome surplus of fruit.

CALIFORNIA TOMATO
COST FIGURES VARY

Results of a tomato cost and income study in 8 of California's "most fruitful counties" were recently reported by the University of California. San Bernardino County made the best showing in regard to net income per acre, at \$42.36, while Ventura County showed a gross return of \$161.61 per acre. Alameda County netted \$25.84 per acre as against gross costs of \$82.65 per acre, the lowest gross costs for any of the counties covered.

The highest costs were shown by Ventura County, which also scored the highest gross income. Only two of the counties recorded minus figures in net income, while the plus figures ranged from \$3.68 per acre in Sacramento County to \$42.36 for San Bernardino County.

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LAND USE PROGRAM, OTHER
TOPICS, IN "SITUATION"

"The Land Use Program in Action" - in the Great Plains - is the title of one of a group of special articles in the May issue of "The Agricultural Situation", monthly publication of the Bureau of Agricultural Economics.

Other titles include "The Farm Mortgage Debt", "New Tools for Agriculture", "Concentration Markets for Perishables", and "New Uses for Cotton". The second of a series of annual income estimates is presented showing that the income of tobacco growers in 1937 was the highest since 1919.

There is an article reporting the results of efforts in Germany in producing "vistra" to replace imports of cotton, and an article giving the salient points of the Government victory in a tobacco inspection case which had challenged the legality of farm referenda. "New Uses for Cotton" reports progress of the cotton utilization research program established by the Bureau of Agricultural Economics in 1927.

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THE MISSISSIPPI DEPARTMENT OF AGRICULTURE reported this week "earlier than ordinary fruits and vegetables and later than usual cotton and corn, low prices to discourage and good crop prospects to encourage, are contrasting conditions obtaining in Mississippi agriculture as farmers begin the always busy month of May."

THE CALIFORNIA DEPARTMENT OF AGRICULTURE recently issued a marketing order regulating the canning of asparagus, 1938 season, and prescribing quality standards for the pack. It establishes a plan for the inspection of all asparagus delivered by growers to canners. It will operate for 1 year.

TIMBER PRODUCTS from farm woodlands "ranked ninth in gross income value among farm crops in 1934," according to the United States Forest Service in a new Farmers' Bulletin entitled "Forest Farming".

"MARKETING MAINE POTATOES, 1937-38" is a mimeographed report obtainable from the Bureau of Agricultural Economics.

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STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 11, 1938

☆ MAY 28 1938 ☆
U. S. Department of Agriculture

Vol. 18, No. 19

TRUCKS INCREASE CREAMERY COMPETITION IN MINNESOTA

The motortruck has intensified competition for the creamery business in Minnesota, and not always to the benefit of the butterfat producer, according to two Minnesota Experiment Station economists, E. Fred Koller and Dr. O. B. Jesness.

One hundred seventeen of 175 creameries recently studied by these economists reported they were using trucks to collect butterfat. Forty depended on only 1 truck route; the remainder employed 2 to 26 routes, many in overlapping territories.

Greater efficiency of operation through an increased volume that would also offset added assembly costs has caused many Minnesota creameries to turn to truck routes, it is stated. But the economists point out that while this may work in plants of considerable unused capacity, unit costs tend to fall less rapidly as volume increases; consequently the offset in costs is smaller than anticipated.

Facts uncovered by the economists also point out that as trucking operations were expanded into more and more remote areas, or into areas in which available patrons are widely scattered, "costs of assembling butterfat" become increasingly larger.

Full details of the study have been published by the Minnesota Experiment Station in Bulletin 333, "Minnesota Cooperative Creameries," obtainable from the Bulletin Office, University Farm, St. Paul.

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INDIANA FARMERS STUDY LIVESTOCK MARKETS

M. Paul Mitchell, extension economist in marketing, Indiana Extension Service, reported this week that "since last July more than 1,800 farm people in Indiana have made a systematic study of their livestock markets. Fifty-one tours have been conducted by the Extension Service, on the 5 principal central markets used by Indiana farmers, with an average attendance of 36 per tour. Tours are usually organized on a county basis, the groups arriving at the market about 8 a.m.

"After arrival, detailed information on the organization and operation of the market is presented, after which each division of the market is visited. In each division, trading practices are watched and studied, after which demonstrations on grades and prices are given for the benefit of the visitors. Methods used in sorting and grading livestock for slaughter always prove interesting to the livestock producers.

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"Cooperating in all of the tours at the market, the Producers' Commission Association supplies lunch for the visiting farmers. In the afternoon a modern packing plant is visited where, in addition to observing slaughtering and processing methods, further studies on the relationship of grades of meat to price are made. Tours are held in early spring or in the late autumn."

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NEW YORK DEPARTMENT
REGULATES CHICK AUCTIONS

The New York Department of Agriculture and Markets recently announced that baby chick auctions in New York State must be regulated by that Department, according to provisions of the Cheney-Kreinherder bill signed by Governor Lehman on April 12.

Persons conducting auctions of baby chicks must first obtain a permit from the Department and submit a fee of \$10 for each auction. The application for the permit must include the date of the sale, the number and breed of baby chicks, and the name of the person by whom they were produced. The Department may require that a certificate be submitted with the application certifying that the chicks are in healthy condition and free from such diseases as the Department may designate.

Containers must be labeled to show the kind and number of chicks in each container, the date the chicks were hatched and by whom hatched, whether the contents are cockerels or pullet chicks, whether the chicks are sexed or unsexed, the purity of the breed, and such tests as have been made in the parent stock for pullorum disease, according to some of the provisions of the act.

PENNSYLVANIA ALSO RULES
ON BABY CHICK SALES

New regulations governing the sale of baby chicks in Pennsylvania have been established by the Pennsylvania Department of Agriculture, "for the protection of farmers and other raisers." The regulations are that when chicks are offered for sale as a unit in a container the container must show in clear, legible markings the number of chicks, the breed, the hatching date, whether blood-tested, whether cockerels, pullets or straight run, the name and address of the producer and the name and address of the seller.

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NIGHT LIGHTING ROAD-
SIDE MARKETS RECOMMENDED

The Maryland Extension Service recently told operators of roadside markets in Maryland that "adequate fixtures for night time illumination are one of the most important factors of successful marketing. The second essential is to see that stand, parking space and driveway or approach to the market are well lighted with flood lights placed high enough on poles adjacent to the stand. Women drivers appreciate the added visibility and will be more inclined to frequent such stands."

ILLINOIS ADVISES ON
FAT CATTLE MARKETING

Illinois livestock producers were given "three fundamental rules to market fat cattle to advantage", recently, by the Illinois Extension Service. Briefly, the rules are to avoid overloading the market, to sell competitively, and to fit cattle to the market. Shipments will need to be adjusted to the capacity of the market, it was stated; a requirement involving team work between cattle feeders and sales agencies.

The Service said: "It is believed that a price increase of about 50 cents a month is needed in holding 2-year-old steers in summer. Less is needed with calves, especially on 50-cent corn. Calves can be held much better than older cattle since they will continue to make fairly economical gains."

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GRAIN BROKERS CHARGED
VIOLATION COMMODITY ACT

A "criminal information" charging violation of the Commodity Exchange Act was recently filed in the United States Court for the District of South Dakota in the Southern Division against Burke and Company, Stephen A. Burke and Hugh S. Gamble, President and Vice President, respectively, of Burke and Company, a corporation which until recently was engaged in the grain and stock brokerage business in Sioux Falls, South Dakota.

The information, filed by the Commodity Exchange Administration, alleged that Burke, a member of the Chicago Board of Trade, and Gamble, an attorney, misused and permitted the misuse of grain customers' funds, resulting in a shortage of approximately \$60,000. It was charged also that the company operated during part of the year 1938 without being properly registered with the Commodity Exchange Administration.

This is the first criminal action to be brought under the Commodity Exchange Act which became effective June 15, 1936, relating to safekeeping of commodity customers' funds. The maximum penalty is one year's imprisonment and \$10,000 fine for each offense. Burke and Company is now undergoing liquidation through bankruptcy proceedings.

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PENNSYLVANIA STARTS
ANNUAL APIARY SURVEY

The Pennsylvania Department of Agriculture recently started its annual apiary inspection, to continue until fall. The Department reports there are about 28,000 beekeepers in the State; is soliciting the cooperation of beekeepers in locating bees. Pennsylvania is said to "rank first among the 48 States in number of apiaries."

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THE NORTH DAKOTA EXTENSION SERVICE has prepared a mimeographed circular listing all of the North Dakota cooperative laws, with the various amendments inserted in the proper places. Copies are obtainable from Perry V. Hemphill, marketing agent, North Dakota Extension Service, Fargo.

NEW YORK REPORTS ON
POTATO INSPECTION SURVEY

A report "Potato Inspections in Retail Stores", an analysis of inspections in 14 cities of Upstate New York, is obtainable from the New York College of Agriculture, Ithaca. It was prepared by P. J. Findlen in collaboration with Harry Duncan and Spencer Duncan of New York Department of Agriculture and Markets.

Mr. Findlen, in a summary submitted this week to "Marketing Activities" says "inspections of potatoes sold in 1,510 retail food stores in 14 upstate cities were made during the 1936-37 marketing season. The study shows, among other things, that while only 3 percent of the stores handled home grown potatoes which came within a strict interpretation of an official U.S. No. 1 grade, over one-third ran from 90 to 94 percent U.S. No. 1 and almost one-half ran from 75 to 89 percent U.S. No. 1. Only 2 percent of the food stores inspected were handling potatoes classified as 'culls'.

"Most upstate cities used about the same quality of New York State potatoes. Elmira, Rochester, Hornell and Utica stand out as cities where more than two-fifths of the food stores sold potatoes that would grade 90 percent or more U.S. No. 1. Syracuse and Auburn potatoes were the only cities where more than one-fifth of the stores sold potatoes that would grade below 94 percent U.S. No. 2. Chain and independent food stores handled about the same quality of New York potatoes during the 1936-37 season.

"There was a slight relation between the quality of potatoes and the retail price. The difference in price was about 12 cents per hundredweight between potatoes grading 90 to 94 percent U.S. No. 1 and those grading 85 to 94 percent U. S. No. 2. In chain stores the difference in price between these two grades was only 4 cents per hundredweight, which was not significantly different. In independent stores there was a significant difference of 15 cents per hundredweight between the two grades of potatoes."

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LIVESTOCK SHIPPING
PRACTICES IMPROVED

Though fewer animals arrived dead or injured at livestock markets in 1937, shipping practices call for still more improvement, according to W. A. Peck, St. Paul manager for the National Livestock Loss Prevention Board.

Eight percent fewer animals were dead on arrival by rail at leading markets in 1937 than in 1936, he said; but there was no appreciable decrease in the number crippled. Dead animals received by trucks were 9 percent less, while those crippled were 17 percent fewer. However, the ratio of dead and crippled animals received by truck is higher than those received by rail, according to statistics gathered in 4 principal markets.

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"AGRICULTURAL ECONOMICS BIBLIOGRAPHY NO.1 (Revised 1938)" is obtainable from the Bureau of Agricultural Economics. It contains a selected list of references on agricultural economics.

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STATE AND FEDERAL MARKETING ACTIVITIES

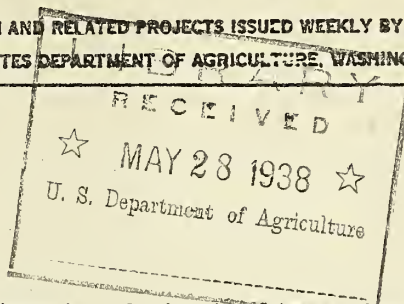
AND OTHER ECONOMIC WORK

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CANADA ADVERTISES GRADED FARM PRODUCTS



The Dominion Department of Agriculture has launched an advertising program on graded farm products. The objective is to make consumers "quality conscious" regarding such products as poultry, meats, eggs, fruits and vegetables. Every advertisement carries the slogan: "Buy by Grade - Buy with Confidence." Each grade is clearly described and its corresponding grade mark or tag is illustrated. Grades A, B and C are designated by red, blue and yellow tags.

No comparison is made as to value of the respective grades; no effort is made to sell one grade of a given product as against another. The consumers are told about grading; how the grades may be recognized; what each grade offers as to quality of products.

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NORTH CAROLINA LISTS MARKETING NEEDS

Commissioner W. Kerr Scott of the North Carolina Department of Agriculture recently emphasized the need for a concerted marketing program in North Carolina. He cited as "immediate marketing needs", additional grading specialists to assist growers in preparing farm crops for market; one or more poultry marketing specialists; a program looking toward the establishment of canneries that will enable farmers to dispose of their surplus crops, whereas at present many truck crops rot in the fields because it is unprofitable to ship the commodities to large marketing centers; additional cold-storage facilities that will provide space where growers may keep surplus commodities such as poultry, eggs, fruits, and vegetables for later marketing.

The Commissioner said, "we must turn our attention to better marketing facilities, better marketing practices, and a concerted program that will result in presenting commodities to the buyers in the most attractive package or form."

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"A GARDEN FOR A ROADSIDE MARKET" is the title of a bulletin recently issued by the Connecticut State College at Storrr, Conn. Prof. A. E. Wilkenson of the College, author of the bulletin, says it may be of particular interest to persons who have or contemplate establishing a roadside market.

NEW JERSEY POULTRY
GRADES ARE IN DEMAND

The New Jersey Department of Agriculture announced this week that a greater demand for the use of live poultry grades on poultry and egg auction markets in all parts of the State is anticipated for the coming season. Although the sale of graded live poultry was not begun until October 1937, its advantages both to the producer and to the buyer have already been demonstrated, according to Leon Todd, supervisor of egg and poultry marketing.

"Of a total of more than 14,300 chickens arriving at one of the auctions last week under definite grade designations, only 65 birds were rejected," he said; "indicating that farmers' grades were 99.55 percent correct when verified by official New Jersey inspectors at the market."

The New Jersey grades and standards apply to birds to be sold as broilers, fryers, roasters, pullets, fowl, roosters and capons. The grades include New Jersey No. 1 and New Jersey No. 2. Buyers are paying an average of 2 cents a pound more for No. 1 birds, it was stated.

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ILLINOIS REPORTS ON
MILK PRICE STUDY

When retail prices for market milk decline, milk consumption increases, according to R. W. Bartlett writing in the current issue of Illinois Farm Economics, monthly publication of the Illinois College of Agriculture.

An increase in consumption of evaporated and condensed milk, from 11.4 pounds annually per person in 1921 to 17.8 pounds in 1937, was cited. Bartlett says "the major cause for increased consumption of concentrated milk may be attributed to the relative cheapness of this product as compared with market milk. In 1921 a quart of milk cost only 2 cents more than a 14-ounce can of evaporated milk. By 1937, this spread had increased to an average of 4.9 cents and by March 1938 to 5.3 cents. Since high market milk prices result in an increase in consumption of concentrated milk, it is reasonable to believe that such an increase is accompanied by a decrease in the consumption of market milk. ***An increase in milk price is followed within about a year by a decrease in consumption, while after a year's interval, milk consumption increases as milk prices decline."

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CALIFORNIA HAY DEALER
JAILED FOR SIX YEARS

Convicted upon 14 counts of issuing worthless checks to Imperial Valley hay growers, Paul LaRue, well known hay buyer and dealer of Southern California, has been sentenced to not less than 6 years in San Quentin prison, it was reported recently by the California Department of Agriculture. LaRue's license as a dealer under the State Produce Dealers Act had been previously revoked, but LaRue had continued operations despite the cancellation.

BREAD PRICE MARGINSWIDEST IN MANY YEARS

The computed gross margin between the average retail price of white bread in April and the estimated average replacement cost of ingredients has jumped to its highest level since 1921, it was announced this week by D. E. Montgomery, Consumers' Counsel of the AAA. The wide spread was attributed to "failure of bread prices to move down in line with falling ingredient costs."

Changes in labor costs and in taxes during recent months do not appear to explain the need for the increase in the margin of white bread, it was stated. Labor costs of baking and delivering bread comprise less than 50 percent of the margin between ingredient costs and the wholesale price of bread. Taxes comprise around 2 percent of the margin between ingredient costs and wholesale prices.

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NEW YORK SEEKS TO MOVESURPLUS CARROTS

"Calling All Carrots" is the title of a booklet issued by the New York Department of Agriculture and Markets, in an effort to move the surplus stocks of carrots from last year's bumper crop. The booklet emphasizes the food value of carrots and contains many recipes.

The Department says that New York State grew a bumper carrot crop last year; as a result 11,328,836 pounds of high quality carrots still remained in storage warehouses on May 1. This was more than double the quantity in storage on May 1, 1937.

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TATTOOED POULTRYESCAPES THIEVES

Chicken thieves stay clear of tattooed birds, the Connecticut Department of Agriculture has found, reporting that few of the 3,443 birds stolen from Connecticut farms last year were registered under the tattooing system. The Department says that while tattooing is not a guarantee against thefts, it is evident that poultry thieves are inclined to beware of farms posted with tattooing service membership signs. The service is a project in which the Connecticut Poultry Association, State Police Department, the Connecticut Extension Service and the Connecticut Department of Agriculture are cooperating.

Tattoo pliers, ink and a reflector sign easily visible at night and a number registered with the cooperating agencies are furnished to each poultryman purchasing a tattoo outfit.

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FROSTED FOODS OUTPUTEXPECTED TO INCREASE

The Bureau of Foreign and Domestic Commerce estimates that the production of "quick frozen" or "frosted" foods may reach a new high of 480,000,000 pounds in 1938, as contrasted with less than 274,000,000 pounds in 1937, and 169,000,000 pounds in 1936. The estimate is based upon a survey made by the Bureau's foodstuffs division.

BUREAU REPORTS WEAKFARM PRODUCTS DEMAND

Little prospect for early improvement in the demand for farm products was reported this week by the Bureau of Agricultural Economics. Volume of industrial activity may be expected to continue relatively stable for some time, but prices of farm products during spring and summer are more likely to be affected by changes in prospective supplies than by changes in the demand situation, it was stated.

Cotton mills of the world will consume much less cotton - possibly $3\frac{1}{2}$ million bales less - in 1937-38 than in 1936-37, the Bureau said. The trend in domestic and foreign wheat prices is expected to continue downward as adjustment is made toward the new crop basis; a fairly stable level of corn prices was reported in prospect for the next few months; larger market supplies of hogs are expected during the remainder of the present marketing year than a year earlier.

Market supplies of fed cattle after June will be larger than in recent months and considerably larger than in corresponding months of 1937, the Bureau said.

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MANY FARM CARS ANDTRACTORS ARE OLD

One in every 6 farm cars is 10 years old or over according to indications of a survey by the Bureau of the Census in cooperation with the Department of Agriculture. The survey covered about 3,000 farms in selected counties of 40 States. More than half of the farm automobiles are models of more ancient manufacture than 1933.

Farm figures for trucks and tractors convey an even more striking picture of obsolescence, with one-fourth 10 years old or older and relatively small percentages of models of 1932, 1933 and 1934. Manufacturers' records confirm the farm figures showing a large number of tractors made and sold last year.

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NO CHANGE IN FARMREAL ESTATE VALUES

After 4 consecutive years of increase, farm real estate values in the United States showed no change during the 12 months ended March 1, 1938, according to the Bureau of Agricultural Economics. Farm real estate values were indexed at 85 percent of the 1912 to 1914 level, as of March 1. This was the same as a year earlier, but 4 percent above 1936, and 16 percent above the 1933 low point.

The maintenance of farm real estate values during the past year, despite the rather sharp decline in farm prices, was attributed in large part to the increase in cash income received from the larger harvest in 1937.

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THE CALIFORNIA DEPARTMENT OF AGRICULTURE announced this week the completion of plans for the opening and operation of 8 seasonal plant quarantine inspection stations.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 25, 1938

Vol. 18, No. 21

NORTH CAROLINA FARMERS
SELL HOGS COOPERATIVELY

RECEIVED
★ JUN 4 1938 ★
U. S. Department of Agriculture

Eastern North Carolina farmers have sold \$1,500,000 worth of hogs through their local cooperative marketing associations since January 1, 1937, it was reported this week by the North Carolina Extension Service.

The 85,000 hogs sold in this way were shipped direct to packers, who pay prevailing prices. Growers lost little through deductions for soft and oily pork. At the first of the year 1937, 2 cooperative hog markets were functioning in eastern North Carolina; now there are 15.

Local men have been trained to grade hogs according to quality.

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ILLINOIS STUDY REVEALS
EGG MARKETING DEFECTS

Results of studies of the market quality of eggs from 109 farms in southeastern Illinois were published this week in Bulletin 441 by the Illinois College of Agriculture. Poultrymen were advised to limit flocks to rations of known make-up rather than to allow the birds free run of the barnyards; also, to cool eggs immediately after they are laid.

Authors H. H. Alp and L. E. Card stated that "one producer, whose eggs had been grading low, got immediate improvement by discontinuing the cooling of eggs on the basement floor and by placing them in an incubator with the moisture trays filled with water. Homemade egg coolers providing moisture also helped to conserve egg quality."

Copies of the bulletin are obtainable from the College, at Urbana.

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MINNESOTA FINDS BAD
SHIPPING PRACTICES COSTLY

Nearly 9,000 head of livestock were victims of poor shipping practices enroute to South St. Paul the first 4 months of this year, it was reported this week by W. A. Peck, South St. Paul manager of the National Livestock Loss Prevention Board. More than 2,400 cattle, calves, sheep and swine were killed on the way to market; those severely injured totaled nearly 6,400.

The Tanners Association of America has estimated a million dollar loss from bruises to pelts of cattle and calves alone during a year. Peck estimated that loss from bruises is 3 to 4 times the loss from dead and crippled animals.

RHODE ISLAND REPORTSBIG DEMAND FOR RABBITS

The Rhode Island Department of Agriculture said this week that "the rabbit industry constitutes a phase of our agriculture on which very little stress has been placed...The rabbit is no longer raised merely for the pet fanciers. Its real value has been discovered, and with its demand far in advance of its supply, there is every reason to believe that we are approaching a new era in rabbit raising which will result in a thriving, growing industry...."

The Department cautioned that the much-advertised Angora rabbit is too small for profitable meat production; that its skin has little value in the fur market. "It does, however, produce a wool from 5 to 8 inches long within a year's time, and when the commercial practice of shearing 4 times a year is followed, the wool attains a length of $2\frac{1}{2}$ to $3\frac{1}{2}$ inches a quarter. A mature animal, not suckling young, will shear on an average about 12 ounces a year....Conducted carefully and conservatively, Angora raising has a proper place in our agriculture, but such fortunes as those promised by some promoters cannot be realized from it."

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TESTS SHOW VALUEOF PRECOOLING APPLES

The United States Department of Agriculture recently reported results of studies of the practical effects of precooling apples. Two bushels of apples were gathered from the same tree in Oregon for shipment to New York. One bushel was placed in a refrigerator car and cooled rapidly by one of several methods, before starting the long trip. The other was put in another refrigerator car, but was not precooled.

Upon arrival in New York the two lots of apples appeared much the same. But the precooled apples kept in good condition 20 days longer than those not precooled. Each day's delay in cooling apples from 70 degrees to 32 degrees cuts off about 10 days of potential storage life that no amount of later refrigeration can restore, the Department said.

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IOWA SAYS "UNWISETO BUY FEEDERS NOW"

The Iowa Extension Service issued a statement this week that "chances are 7 out of 10 that the average Iowa farmer will be making an 'unwise bet' if he purchases feeder cattle now just to consume an unusually heavy crop of grass or legumes."

Prices of all grades of feeder cattle usually drop considerably from spring to fall, it was explained. the greatest declines usually occurring in the lower grades. These price drops are frequent enough to more than make up for the increase in weight resulting from grass feeding, it was stated.

The Iowa farmers were advised to wait until later summer or early fall to buy feeder stock to put on bluegrass.

NEW JERSEY LEGISLATURE
ENACTS BABY CHICKS LAW

Baby chicks offered for sale at any auction, auction sale barn or community sale through the State of New Jersey must meet minimum health requirements as provided in a new law enacted at the current session of the New Jersey Legislature.

Heretofore it has been the custom to sell at auction, chicks known as "surplus stock", for which there was no ready market through regular channels. The chicks may have been exposed to diseases which prevail in chicks between the ages of 1 day and 2 weeks, a period when the death rate is relatively high.

Under the new law, the seller must guarantee that all chicks offered at public sales and auction markets have been hatched from breeders which are "pullorum clean" and free of chick bronchitis and coccidiosis. These are the three most serious diseases of young chicks.

The container in which the chicks are delivered must carry a label issued by the State Department of Agriculture indicating the number of living chicks, the breed and variety, a written guarantee that they are in good health, free from bronchitis and coccidiosis and that they originate from parent stock which was "certified pullorum clean" within 6 months of the date of sale. The label also must carry the name and address of the hatchery or individual producing the chicks, as well as the name and address of the person offering them for sale. The number of both males and females must be indicated if the chicks have been sexed.

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COMMERCIAL BANK LOANS
TO FARMERS SHOW INCREASE

Farmers last year borrowed from commercial banks nearly 1.3 billion dollars, according to Normal J. Wall of the Bureau of Agricultural Economics. The increase over 1936 was 19 percent. In the last half of the year there was an increase of 5 percent over the amount outstanding on June 30, 1937, whereas ordinarily such loans fall off during the latter part of the year.

The increase was in personal and collateral loans to farmers. Loans secured by farm real estate showed only nominal change. The large volume of personal and collateral loans was a result partly of the Commodity Credit Corporation loan program on cotton and corn, nearly three-fourths of these loans being held by commercial banks and lending agencies.

Principal increase in the personal and collateral loans during the last half of 1937 was in the central northern and eastern regions. By States, the largest increase was 46 percent in Illinois. Iowa showed a 42 percent increase; Arkansas a 39 percent increase.

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COLD STORAGE LOCKER
SERVICE GROWING FAST

Responding to many inquiries about the fast-growing cold storage locker system, the Bureau of Animal Industry has issued a mimeographed pamphlet describing the growth and the operating techniques being employed. K. F. Warner, extension meat specialist, says in the pamphlet

that "practically unknown 5 or 6 years ago, these locker units have been reported in operation in 21 States. Hundreds of locker units are in operation, chiefly in the Pacific Northwest and in the Corn Belt. The lockers, of around 250 pounds capacity, rent for \$10 per year; there is an additional service charge for cutting, wrapping and freezing (meats) of about $1\frac{1}{4}$ cents per pound of product. Meats, poultry products, butter, fruits, and vegetables are stored for as long as a year. Advantages and limitations of cold storage lockers are cited in the pamphlet, copies of which are obtainable from the Bureau of Animal Industry, Washington, D. C.

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FARMERS' cash income from marketings in April totaled 489 million dollars, compared with 512 million in March, and 583 million in April 1937, the BAE reported this week. Government payments, in addition, amounted to 60 million dollars in April, the same as in March, but 3 million less than in April last year. Receipts from sales of all farm products in April were smaller than in March, although the decline was not so large as usual for this period.

THE PENNSYLVANIA DEPARTMENT OF AGRICULTURE announced that "united action by consumers, food stores, newspapers, radio stations, hotels and restaurants during April created a market for 1,000,000 bushels of surplus Pennsylvania apples and averted an economic loss estimated at more than 1 million dollars...As an aftermath of the campaign, producers in the commercial apple belt reported during the last 2 weeks a 'run' on their roadside stands without parallel even in the harvest season."

"MILK BOTTLE LOSSES and Ways to Reduce Them" is the title of Circular 469, obtainable from the United States Department of Agriculture. Subjects include "Life of the Bottle", "Pooling of Bottles", "The Store Bottle", "The Milk-Bottle Exchange", "Prevention of Misuse of Milk Bottles, Cans and Crates."

DEAL REPORTS obtainable from the Bureau of Agricultural Economics include "Summary 1938 Potato Season, Hastings Section, Florida," "Marketing Raymondville District (Texas) Onions, 1938 Season", "North Carolina Strawberries, 1938 Season", "Florida Tomato and Celery Shipping Seasons", "South Florida Snap Bean Season". "Peppers in Pompano (Florida) Section", "South Florida Potato Season."

THE 157 NATIONAL FORESTS, administered by the Forest Service, United States Department of Agriculture, reported net receipts of \$3,080,-096 for the period July 1, 1937 to April 1, 1938. This compares with \$3,009,087 for the same period a year ago. Twenty-five percent of the net receipts of each National Forest is turned over to the respective States, to be apportioned to the counties in which the National Forest is located. The funds thus made available to local government units are used for roads and schools.

A REPORT "Car-lot Unloads of Certain Fruits and Vegetables in 66 Cities, and Imports in 4 Cities for Canada, Calendar Year 1937" is obtainable from the Bureau of Agricultural Economics.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 1, 1938

Vol. 18, No. 22

ILLINOIS ASSOCIATIONS DO BIG MILK BUSINESS

Nearly 40,000 Illinois dairy farmers are members of the 88 Illinois farmers' dairy marketing associations which last year marketed more than \$28,000,000 worth of dairy products, it was reported this week by the Illinois College of Agriculture making known the results of a survey. Investigators found a "high degree of decentralization in cooperative marketing in Illinois," in marked contrast to cooperative livestock marketing which is largely concentrated in central stockyards.

Both in number of members and total sales, bargaining associations were ranked at the top. The 19 bargaining associations have 23,944 members; did \$22,043,653 worth of business. Cheese factories are the oldest cooperative dairy marketing associations in Illinois. More than half the number of cheese factories are in Stephenson County.

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LOUISIANA STUDIES CATTLE FEEDING PROFITS

The Louisiana Extension Service, reporting the results of a study, declared this week that "fattening cattle with concentrates on pasture is most likely to pay (1) when the market will pay 75 cents to \$1 more per 100 pounds for grain fed cattle; (2) when grain feed is largely home-grown or bought at low cost; (3) when the feeding can be done conveniently; (4) when it is desired to market young cattle in slaughter condition a year earlier than they would finish on grass alone, or when it is desired to market cattle fat off grass in early summer.

"Finishing on grass alone is advisable (1) when there is an abundance of cheap pasture and feed prices are high; (2) when the market will not pay more than 25 to 30 cents per 100 pounds more for grain fed cattle than for grass fed cattle."

The Louisiana Station has been experimenting for 6 years in the finishing of two-year old steers. Results have been published in Louisiana Bulletin 296, obtainable from the Louisiana Extension Service, University, La.

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PENNSYLVANIA EXPANDS CANNERY INSPECTIONS

State inspection and grading of canning products will be provided at 21 new points in Pennsylvania to keep pace with the rapidly growing cannery industry, it was reported this week by the Pennsylvania Department of Agriculture. Products to be graded and inspected this year will

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include apples, cherries, asparagus, green beans, lima beans, corn, peas, cabbage, berries and tomatoes.

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NEW ENGLAND INSTITUTE
OF COOPERATION TO MEET

The New England Institute of Cooperation is scheduled to meet at Rhode Island State College, Kingston, R. I., June 21, 22, and 23.

The program will include discussions of problems of egg auction cooperatives, present day problems in cooperation in New England, farm prices and purchasing power, the relation of cooperatives to Federal milk licenses, current problems in dairy cooperation, restrictions upon the free movement of farm products within the United States, ways to interest consumers in northeastern food products, and problems in whole-sale and retail consumer cooperation.

Detailed information regarding the Institute is obtainable from J. L. Tennant, Rhode Island Extension Service, Kingston, R.I.

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CALIFORNIA REGULATES
MARKETING OF MELONS

A marketing order regulating the handling in intrastate commerce of cantaloupes, honeyball and honeydew melons grown in Imperial County, California, went into effect May 27. The marketing order, under authority of the California Agricultural Products Marketing Act, provides for regulation of shipments in intrastate commerce through control of sizes of melons permitted to be shipped. At a recent public hearing held at El Centro, Calif., no opposition to the proposed order was voiced.

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MISSISSIPPI INSPECTORS
EXAMINE MANY PRODUCTS

More than 18,000 inspections of feed, fertilizer, cottonseed meal, agricultural seeds and dairy plants were made by the Mississippi Department of Agriculture during the past year. Mississippi laws regulate the sale of feed, fertilizer, cottonseed meal and planting seed, requiring packages to be labeled with a guarantee of content. The dairy laws require sanitation, accuracy in butterfat tests, and provide for quality improvement by specifying the grades of cream and regulating the manufacture of butter.

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FUR FARMING INDUSTRY
TO BE SURVEYED BY BUREAU

A survey of fur farming has been launched by the United States Biological Survey. Officials said this week that "no one now knows even the number of fur farms in this country. Estimates vary from 15,000 to 30,000." Data to be accumulated include market value of fur farms and animals, numbers of employes and wages paid in 1937, acres of muskrat marshes maintained, and numbers of muskrats taken on the marshes. Statistics will be compiled on silver foxes, cross, foxes red foxes, minks, martens, fishers, raccoons, chinchilas, and beavers.

SOUTHEASTERN STATESSTUDY TRUCKER MARKETS

Agricultural agencies in 5 Southeastern States - North Carolina, South Carolina, Georgia, Alabama and Florida - are interested in the development of concentration markets for perishables hauled by motortruck. Statistics show that whereas there has been a 20-percent increase in the production of fruits and vegetables in 6 Southeastern States (the 5 listed above, plus Virginia), shipments by rail and boat have declined about 17 percent in recent years. The figures show a big increase in movement by motortruck.

Officials seek to make a study of the new distribution needs, and of the practicability of concentration markets, functioning as assembling and distribution points for perishables. One such market is operated at Sanford, Florida, a concentration point for produce grown in 25 Florida counties. The produce is distributed (almost entirely by truck) to 26 States and to Canadian Provinces. About 95 percent of the sales go outside Florida.

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CALIFORNIA TO STUDYBET HARVESTING METHODS

A 3-year study of problems of the sugar beet industry, chiefly in the harvesting of sugar beets, has been started by the University of California with funds provided by the United States Beet Sugar Association.

The University announced this week that "the hope of the beet sugar manufacturers is, through development of a satisfactory harvesting machine, to reduce the cost of production, to stabilize the industry, to eliminate the probability of future labor shortage, and to eliminate the heavy stoop labor required by present harvesting methods. Emphasis is being placed on harvesting machinery inasmuch as planting and thinning already are being fairly well cared for by machinery now in use."

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NEW MEXICO DEMONSTRATESSHEEP AND WOOL GRADING

The New Mexico Extension Service announced this week completion of a series of demonstrations to sheepmen of the State on the preparation of wool and market lambs, in 13 counties. Arrangements have been made for a similar series of meetings next year. Most of the meetings were all-day sessions, held on the ranches of sheepmen in the different counties. The Service announced that for next year, the Bureau of Agricultural Economics has agreed to provide a wool specialist to demonstrate manufacturers' needs in regard to wool.

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PACKERS ORDERED TOSTOP UNLAWFUL PRACTICES

Secretary Wallace issued an order today (June 1) declaring Swift & Co. to be guilty of violations of the Packers and Stockyards Act. The company was ordered to cease and desist from denying, to any purchaser, any discount which is granted to any other purchaser of such packer products as meats, meat food products, poultry, and poultry products of similar quality and quantities and under similar condition. Another

provision of the order cites as unfair the practice of requiring one purchaser to pay for its wrapped and packaged packer products on the basis of weight at the time packed and allowing another purchaser to pay for such products on the basis of the actual weight at the time of delivery.

The respondent was further ordered to stop denying to any buyer of packer products the same terms of credit that are extended to any other buyer, or substantially the same credit rating, purchasing products of like kind, quality, and quantity under similar circumstances.

The order is based on evidence covering a period of 7 years and names the places and dates of the violations.

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NEW YORK RULES ON POULTRY, MILK BOTTLES

Ways to prevent misleading advertisements of poultry prices were suggested this week by the New York State Bureau of Weights and Measures; new regulations were issued, also, governing the markings on paper milk bottles.

The Bureau finds much poultry advertising such as "89 cents each"; "not less than 2 lbs. 3 oz. - 89¢"; dressed chickens - 89¢ each"; "weight when drawn 2 lbs. 3 oz. - 89¢ each"; "weight 2 lbs. 3 oz. to 2 lbs. 9 oz. - 89¢ each"; "weight after fully drawn 2 lbs. 9 oz. and not less than 2 lbs. 3 oz."

The Bureau suggests that poultry be offered for sale, sold or advertised at prices per pound only. The ruling as to milk containers is that the line indicating the point to which they are filled be left off paper bottles. The filling machines will be sealed by a weights and measures official to protect the purchasers of milk in such containers. Absence of the full-line, it was explained, will avoid confusion due to atmospheric changes, pressure and other causes which result in the contents falling below or going above the line on the outside of paper bottles.

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NEW JERSEY HOLDS MILK DEALERS RESPONSIBLE

The New Jersey Board of Milk Control announced today (June 1) that it is holding all milk dealers and subdealers responsible for licensing of every store and retailer they are serving with milk. Dealers were told that on and after July 1, 1938, all distributors who continue to sell milk to unlicensed stores will be penalized. Dealers were warned, also, that the furnishing of free block ice is prohibited since the practice is considered a form of price cutting, in direct violation of existing orders.

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THE BUREAU OF AGRICULTURAL ECONOMICS said this week that eggs are one of the few farm commodities currently rising in price. Reason is the reduced production which has lessened shipments to market and to cold storage plants. Prices are expected to trend seasonally upward for the next 6 months. Prices of chickens are expected to go down.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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U. S. Department of Agriculture

Vol. 18, No. 23

LOUISIANA CONSIDERS MANY
NEW AGRICULTURAL BILLS

Forty-two bills directly relating to agricultural subjects have been introduced into the 1938 session of the Louisiana Legislature, it was reported this week by B. B. Jones, Agricultural Secretary of the New Orleans Association of Commerce.

A number of the bills propose various ways to stop cattle rustling in the State. Other bills deal with the creation of soil conservation districts, the organization and operation of cooperative associations, regulating the sale of certified seed, regulating the production and sale of milk and milk products, prohibiting false packing of cotton, and the licensing and bonding of cotton buyers and livestock dealers.

The creation of a State Agricultural Marketing Board is sought in one measure, and a State system of inspection for meat and meat products in another.

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PENNSYLVANIA CERTIFICATION
CANNERY CROPS INCREASING

Secretary J. Hansell French of the Pennsylvania Department of Agriculture reported this week that State certification of canning crops is one of the most rapidly expanding services of the Department. Inaugurated in 1927, when 255,000 pounds of tomatoes were graded, the service has grown to the point that 161,141,000 pounds of canning crops were certified last year. A further gain of 97,000,000 pounds is indicated for 1938, the Secretary said.

Canning crops expanding most rapidly include tomatoes, sweet peas, golden bantam corn, wax beans, baby limas, mushrooms, sour cherries and apple products. The Department has just released a summary of cannery crop inspection work for 1937. Copies are obtainable from the Pennsylvania Department of Agriculture, Harrisburg, Pa.

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CALIFORNIA MILK CONTROL
UPHELD IN LOS ANGELES

The California Department of Agriculture reports that an important feature of the Young Milk Control Law was recently sustained when Presiding Superior Judge Reuben Schmidt of Los Angeles ruled that no discounts or rebates upon milk purchases were permissible in any marketing area where prices had been established by the State Director of Agriculture.

The controversy arose between Arden Farms, Inc., large Los Angeles milk distributor, and the Army and Navy Stores, when officers of the California Division of Market Enforcement directed the dairy concern to discontinue rebates to the store units after the Department of Agriculture had set up resale price schedules in the Los Angeles area.

The Army and Navy Stores pressed the point that under an existing contract with Arden Farms it was entitled to a continuance of the rebates which had been previously enjoyed, and a suit followed to enforce the terms of the agreement.

Judge Schmidt ruled that the new milk law, and departmental orders issued under it, superseded and nullified the contract between the parties, and that discounts and rebates were definitely outlawed by the statute.

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NEW JERSEY DESCRIBES

SALES MARKETING PROGRAM

The New Jersey Department of Agriculture has announced the establishment of "a cooperative service in marketing which should have far-reaching results in assisting fruit and vegetable growers." The Farm Bureau, the Grange, the Experiment Station, the Extension Service and the Department of Agriculture, in New Jersey, are cooperating.

The purpose of the program, the Department says, "is to furnish to the large chain store buyers, independent buyers, commission merchants and others, accurate information on the time of harvest, quality and sources, so as to attract their attention to New Jersey during the periods when our products are of highest quality and are available at most reasonable prices. This effort," the Department adds, "should result in smaller and fewer surpluses, more orderly marketing and better prices."

Under the plan, the county agricultural agents will send to the marketing specialist at the New Jersey Agricultural College on a certain day each week a summary of the growing conditions of important crops, giving the approximate date when the crop will be ready for the market. Similar information will be gathered through other channels by the Bureau of Markets and the secretary of the Farm Bureau. The reports will be assembled and summarized by William C. Lynn, administrative assistant in the New Jersey Department of Agriculture. Reports will be sent to the trade and followed by personal contacts to aid in developing better market movement through effective and unified sales coordination.

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NEW YORK FARMERS BUY

SECOND-HAND TOOLS

Second-hand tools make up a great part of the tools used on New York State farms reports John P. Hertel of the farm management department at Cornell University. The tools include the more complicated machines such as corn binders, grain drills, grain binders, and elevator potato diggers, as well as the simple tools like the walking cultivator. Mr. Hertel says farmers find this used equipment not only cheaper to buy, but cheaper to operate since the cost of repairs is much less than the depreciation on new equipment. Most second-hand tools sold at farm

auctions are on the block "not because they are unsatisfactory," Mr. Hertel says, "but because the operator has died, or is leaving the farm, or is being sold out." But good judgment is needed, he adds, in selecting second-hand tools that will give good service for the money.

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POTATO MARKETING

MEETINGS BEING HELD

Meetings are being held in a number of States this month on the proposed potato marketing order of the Agricultural Adjustment Administration for the 17 important States that produce late potatoes.

The proposed marketing agreement would regulate the handling of Irish potatoes in interstate commerce. It would prohibit the shipment of cull potatoes in periods of moderate surplus, but no restriction would be placed on the shipment of No. 1 grade potatoes. The aim is to provide a flexible marketing plan to adjust the size of the potato surplus in any year.

The proposed agreement would provide for pro rata assessments among shippers for administrative expenses, administration of the program by 7 specified areas, an area committee for each area composed of representatives of growers and handlers to administer the program and recommend marketing provisions.

An order can be issued if two-thirds or more of the growers who take part in the referendum to be held in July vote in favor of it, or if producers of two-thirds or more of the volume of potatoes as shown in the referendum, vote in favor of it.

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OHIO SEES POOR PROSPECTS

FOR BEEF, PORK PRODUCERS

Prospects for Ohio producers of beef and pork are almost the complete reverse of those facing farmers one year ago on June 1, it was stated this week by L. H. Barnes, specialist in farm management, Ohio State University.

Most Corn Belt farmers have a large carry-over of feed, production of livestock is increasing as usually occurs when feed is cheap, and the demand for meat in consuming centers has declined because employment has decreased sharply, according to the announcement.

Mr. Barnes said that price trends for livestock in the next few months are more likely to be caused by changes in numbers of livestock than by variations in the demand for meat. Farmers were advised to consider the probable market supplies of cattle and hogs this summer.

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IOWA TO BROADCAST

CROP REPORTS BY RADIO

A new service to farmers - a once-a-month broadcast of the Federal crop reports - to begin June 10 over Iowa State College radio station WOI, was announced this week by the College.

The information will be broadcast on Federal crop reporting

dates (June 10, July 11, August 10, September 9, October 10, and November 10) by Leslie M. Carl, Iowa statistician for the Bureau of Agricultural Economics, assisted by members of the Iowa Extension Service. The program in each case will go on the air about one hour after the material is released by the Crop Reporting Board at Washington. Iowa conditions will be featured in the radio program.

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FEDERAL AGENCY SURVEYS

WEIGHTS AND MEASURES WORK

A Nation-wide survey of the work of weights and measures officials through the country is being made by Consumers' Counsel, D. E. Montgomery, of the Agricultural Adjustment Administration.

Addressing the 28th National Conference on Weights and Measures, recently held in Washington, D.C., Mr. Montgomery said "we are discovering many localities where there is little or no weights and measures protection, and great public indifference to its importance. We are also finding some offices showing tremendous activity on very small and inadequate funds.

"One of our prime reasons for making this survey is to impress upon consumers everywhere the dollar-and-cents value to them of Weights and Measures Departments with adequate equipment, adequate financial backing, and a staff sufficient to take care of the job."

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MINNESOTA ANNOUNCES

FARM-BUSINESS MEETING

The University of Minnesota department of agriculture announced this week a meeting of industry and agriculture at University Farm, June 23 and 24, to "talk things over." Purpose of the conference, called by Dean W. C. Coffey, is "to give each group a better understanding of the other's problems and a clearer picture of common objectives."

Industrialists to attend the conference are members of the agricultural committee of the National Association of Manufacturers which is making a study of agricultural conditions and viewpoints in States of the North and Middle West. About 40 Minnesota farmers will take part in the conference.

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TENTATIVE UNITED STATES STANDARDS for grades of canned grapefruit juice, effective June 15, have been issued by the Bureau of Agricultural Economics.

MORE THAN 55,000 FARM TENANTS, farm laborers and other operators have bought farms in the last 3 years, by making moderate down payments and qualifying for Farm Credit Administration financing, it was announced this week by the FCA. To finance these purchases, the 12 Federal land banks and the Land Bank Commissioner have written on their books more than \$130,000,000 of long term loans and purchase money mortgages.

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U. S. Department of Agriculture

ILLINOIS STUDIES HORSE VERSUS TRACTOR COSTS

The Illinois Extension Service reported this week that "the average expense a crop acre for man labor, horse and machinery use on Illinois farms is practically the same for horse farms, standard tractor farms and general-purpose tractor farms."

Records kept on Illinois farms from 1930 to 1936, in cooperation with the Illinois College of Agriculture, were analyzed. The Extension Service said that "in some cases tractors have enabled operators to do a larger volume of business and in others to provide for more leisure on the part of farm workers. The records also indicate that the expense for man labor has been reduced only slightly by the addition of tractors."

A shift from standard tractors to general-purpose tractors, in recent years, was reported.

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LOUISIANA REPORTS LIVESTOCK IMPROVEMENT

Increasing interest in improving the quality of cattle in Louisiana was reported this week by the Agricultural Committee of the New Orleans Association of Commerce. Since the eradication of the cattle ticks, it is reported that several thousand pure bred bulls have been brought into the State. Recently, some of the Louisiana livestock breeders have been buying breeding animals in Kentucky and Oklahoma.

The Agricultural Committee reported that receipts of livestock at the New Orleans stockyards show a "good increase" this year over last; that "many small auctions and sale pavilions have been established in the State during the past year or two." Progress was reported in the production of livestock and livestock products, both as to quantity and to quality.

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INTEREST RATES REDUCED ON LAND BANK LOANS

The Farm Credit Administration announced this week that the temporarily reduced interest rates on Federal land bank and Land Bank Commissioner loans, just authorized by Congress, will apply on all interest payable prior to July 1, 1940. On most Federal land bank loans through national farm loan associations the temporarily reduced rate will be $3\frac{1}{2}$ percent a year, and for loans made directly from the banks,

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4 percent. On Land Bank Commissioner loans the temporarily reduced rate will also be 4 percent.

It was announced that under the law as now amended both land bank and Commissioner borrowers, beginning July 1, 1940, will resume interest payments at the contract interest rates at which their loans were originally made. The reduced interest rates will apply for the stated period on about 630,000 Federal land bank loans now outstanding in the amount of \$2,025,000,000, and about 450,000 Land Bank Commissioner loans aggregating nearly \$800,000,000.

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CALIFORNIA REPORTS

APRICOT COST STUDY

Results of a 5-year study of apricot production costs and income in San Benito County, Calif., were issued this week by the University of California. (The reservation is made that the orchards studied were selected to provide accurate data for the orchards themselves rather than to provide a cross section of costs and income for the county or the State.)

For the 5-year period the study shows an average management income of \$92.56 an acre, this representing the operator's income after he has already paid himself wages for his work and interest at 5 percent on his invested capital. Total income per acre for the 5-year period averaged \$286.21.

The total of all costs per acre is set at \$193.65 per year. The difference, or \$92.56, is the management income. In the 5-year period this management income has varied from \$151.82 to \$49.18. This variation, gives some idea, the University said, of the many variables of production and marketing conditions which govern the apricot crop.

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MINNESOTA CREAMERIES

TO ADVERTISE PRODUCTS

The Minnesota Extension Division has announced that approximately 210 dairy products plants - creameries, cheese plants, and ice cream and fluid milk plants - had by June 10 signed contracts agreeing to cooperate in the dairy products advertising campaign proposed by the Minnesota Dairy Industry Committee. The Division said the plan is to increase the consumption of dairy products by advertising to the public the value of dairy products as a food and thereby maintain and increase the total income of dairy farmers.

In signing the contract, each creamery plant agrees to contribute for advertising in proportion to the volume of product it handles. Agreements cannot become effective until at least 75 percent of the State's average annual butterfat output is signed up and the committee has assurance of enough support from other States to warrant going ahead.

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"The Classification of Cotton" is the title of Miscellaneous Publication No. 310, recently issued by the U. S. Department of Agriculture. The bulletin deals with cotton grading factors and technique.

LIMITS TO BE SET ON
GRAIN FUTURES TRADING

Secretary Wallace announced this week that proposed limits on speculative trading in grain futures have been submitted to the Commodity Exchange Commission. This Commission is composed of the Secretary of Commerce, the Attorney General, and the Secretary of Agriculture.

Limits are proposed upon the net long or short position held or controlled by any one person, and also upon the amount of daily purchases and sales by any one person. The proposed order relates to wheat, corn, oats, rye, barley, and flaxseed.

The recommendations were made following public hearings on the subject. The proposed limits will not become effective until they are promulgated by the Commission, which will not be until after July 10, when the time for filing exceptions expires.

A daily trading limit of 2,000,000 bushels in all futures combined or in any one future of any grain on any one contract market, with a limit of 1,000,000 bushels in any current delivery month, has been proposed. The suggested limitations would not apply to bona fide hedging transactions.

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DR. BLACK DISCUSSES
FARM SECURITY FACTORS

Expansion of industrial activity to achieve economic balance between agriculture and industry is stressed by Dr. A. G. Black, Chief of the Bureau of Agricultural Economics, in a bulletin entitled "Toward Farm Security" issued this week by the United States Department of Agriculture.

Discussing factors of farm security, Dr. Black says that "one of the big farm problems in the future is to maintain a steady flow of industrial products from the factories and mines of the Nation. Reduction of farm production is effective," he continues, "in improving farm well-being during times of depression; but the benefits from achieving a balance in this way are limited. After a certain point, further improvement in farmers' well-being must come through expanding industrial production."

Other factors set down by Dr. Black include stability of farm prices and income, physical security, security against crop losses, security of land tenure, farm labor supply, and stability of land values.

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FARM POPULATION GAINS
IN SIZE DURING YEAR

A slight gain in the farm population during 1937 was reported this week by the Bureau of Agricultural Economics. The Bureau's estimate was 31,819,000 persons in the farm population as of January 1 last, compared with 31,729,000 a year earlier. There has been little net change in recent years. More than 1,000,000 persons left the farms last year, but births and migration to farms combined to exceed farm population losses. The number of persons moving to farms last year was the largest - estimated at 872,000 - since 1913. The number moving off the farms was the smallest - 1,160,000 - since 1935.

PENNSYLVANIA WARNS OF
BAD CHECKS FOR CHICKS

The Pennsylvania Department of Agriculture reports that many complaints have been received from farmers and poultrymen that post-dated checks given them by out-of-State buyers in payment for produce and baby chicks have bounced back, "worthless". Accordingly, Pennsylvania farmers were cautioned by the Department this week "against extending credit to buyers from other States, without preliminary investigation." In credit transactions with dealers within the State, Pennsylvania farmers are protected, the Department said, by the new State produce dealers licensing and bonding law.

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FCA REPORTS MANY
TENANTS BUYING FARMS

The Farm Credit Administration announced this week that "in 3 years since Congress passed the Farm Credit Act of 1935, broadening several features of purchase loans, more than 55,000 farm tenants, farm laborers and other operators have bought farms by making moderate down payments and qualifying for Farm Credit Administration financing."

Farmers and tenant farmers in the 48 States were reported as "climbing the agricultural ladder" at the rate of nearly 2,000 a month. To finance purchases, the 12 Federal land banks and the Land Bank Commissioner have written on their books over \$130,000,000 of long term loans and purchase money mortgaged, during the last 3 years. Some of the farms have been bought from local land owners; others, from real estate holdings which the land banks have acquired over a number of years.

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OKLAHOMA STUDIES
TENANT MIGRATION

The Oklahoma Extension Service Landlord-Tenancy Committee recently asked 1,240 landlords and tenants why most tenants move every year. The survey is part of a program authorized by the last Oklahoma Legislature designed to bring about better relationships between landlords and tenants.

Reasons given by landlords for large number of tenants moving were: "neglect of crops by tenants," "to get better land improvements," "low income from farms and abuse of property." The tenants' answers, surprisingly similar, were: "I move to better conditions," "at the landlord's request," and "because of poor, indefinite agreements."

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NEWS OF THE WEEK contained a report from the Bureau of Agricultural Economics that total milk production and production of milk per capita set new high records for early June, but that the seasonal peak in production probably has been reached; that the large supply of cottonseed oil from last year's record cotton crop continues to be the major influence in the general fats and oils situation; that steady to higher prices for hogs and a seasonal advance in prices of better grades of slaughter cattle are in prospect during the summer months.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 22, 1938

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FARM INCOME UPPED IN MAY, BUT BEHIND YEAR AGO

☆ JUL 9 1938 ☆
U. S. Department of Agriculture

Farmers' cash income from marketings was a little higher in May compared with April, but was 12 percent less than in May 1937, it was reported this week by the Bureau of Agricultural Economics. The May total, plus Government payments, was 553 million dollars, compared with 549 million in April, and with 610 million in May last year.

About the usual seasonal change has occurred in market prices of farm products during June. Total receipts from farm marketings for the first half of 1938 is expected to be slightly more than 3 billion dollars compared with 3.5 billion in the first 6 months of 1937.

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PENNSYLVANIA MAKING INSPECTION, NURSERIES

Nursery inspectors of the Pennsylvania Department of Agriculture are making their annual inspection of nurseries and dealers in nursery stock.

The Plant Pest Act of 1937 requires that all ornamental trees, shrubs and perennial plants sold or transported must be inspected by an authorized State inspector. This means that all ornamental plants transported across the highway or plants grown as nursery stock must be inspected prior to the time they are offered for sale. For this reason, all certified nurseries in the State are inspected and reinspected annually.

The Pennsylvania Department explains that "the purpose of the Plant Pest Act is to protect the buying public, legitimate nurserymen and dealers in nursery stock, from the risk incident to the distribution of diseased or infested nursery stock which may be a menace to the entire community."

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MINNESOTA REPORTS ON BUTTER PRICE STUDY

Although many people believe that butter prices in the United States are low when imports of butter are large, a comparison of monthly prices and imports shows the opposite relationship, according to W. H. Dankers, extension marketing specialist, in a statement issued this week by the Minnesota Extension Division. Dankers pointed out that "our butter imports are large only in months when prices are high, and are

insignificant in times of low butter prices. The all-important item in determining butter imports is the differential in butter prices between United States and foreign markets."

Statistics of the Bureau of Agricultural Economics were cited showing that from January 1, 1937 to April 1938, the difference in butter prices between New Zealand butter on the London market and New York extras ranged from 15.5 cents a pound down to zero. The greatest spread was in February 1937 after the severe drought of 1936. That month our imports exceeded 2.75 million pounds.

"These imports," Dankers said, did not take away the American market from the American farmer, but instead they pieced out our short butter supply and avoided an abnormally high price to consumers."

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NEW JERSEY PREDICTS

SOYBEAN POPULARITY

"Please pass the soy beans" will soon be a frequent request at New Jersey dinner tables, according to Dr. Howard B. Sprague, New Jersey Experiment Station agronomist, who predicted this week that the ancient soy bean will be added to the State's list of vegetable crops "within the next two or three years." Two edible varieties of the bean, selected from mixed seed imported from China, have been introduced and recommended to Jersey growers.

Dr. Sprague said the soy bean "holds more promise than any other newly-introduced plant of becoming a standard field crop in New Jersey."

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INSPECTION SERVICE

FOR MISSISSIPPI GROWERS

Commissioner J. C. Holton of the Mississippi Department of Agriculture announced this week that State-wide inspection service for sweetpotatoes will be available this year for the first time in Mississippi.

The Commissioner said that "an appropriation made by the Legislature of 1938 will enable the Department, in cooperation with the United States Department of Agriculture, to maintain inspection service over such period as it is needed for shipments of a carlot or more, and at costs in line with those now obtaining in areas of concentrated production. The Federal-State Inspection Service has already certified more than 6,000 carloads of fruits and vegetables this year."

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ILLINOIS FINDS WEEDS

A COSTLY FARM CROP

Weeds are costing Illinois farmers more than \$225 a farm this year, it is estimated by J. C. Hackleman, crop extension specialist, Illinois College of Agriculture. Two noxious weeds, Canada thistle and field bindweed, are estimated to cover more than 175 acres of Illinois farm land, "which means that the average Illinois farm is supporting nearly an acre of these two weeds."

BUREAU REPORTSTOBACCO SALES

First hand sales of all types of fire-cured tobacco in the 1937-38 season totaled 116,658,056 pounds averaging \$10.61 per hundred, it was announced this week by the Bureau of Agricultural Economics. This compared with 94,962,436 pounds sold in 1936-37 at an average of \$12.38 per hundred.

The past season showed an increase in total sales over 1936-37 of about 21½ million pounds, an increase in value of \$619,601, and a decrease in average of \$1.77 per hundred pounds. Of the total fire-cured sales 17 percent consisted of Type 21; 56 percent of Type 22; 25 percent of Type 23, and 2 percent of Type 24.

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FOODS SEIZED, BELOWFEDERAL STANDARDS

The Food and Drug Administration announced this week the seizure in May of a variety of food products misrepresented as to grade, size, quality and identity. Canned foods seized failed to conform to the standards established by the Secretary of Agriculture as provided by law and did not carry the prescribed descriptive statement. Butter was seized because of failure to meet the minimum legal requirement of 80% butter fat.

One lot (93 bushels) of apples, and 95 barrels and 400 sacks of potatoes, misrepresented as to grade, also were confiscated; and a shipment of 470 baskets of peaches was picked up on Federal orders when examination showed all the fruit to be smaller than the pretended size, and in part below the grade claimed.

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FOURTEEN STATES HAVEAPPLE STANDARDS LAWS

Wells A. Sherman of the Bureau of Agricultural Economics, addressing a conference of extension service representatives from important apple-producing States, held at Washington recently, said that "more legislation has been passed governing the grading and standardization of apples than for any other fruit or vegetable.

"Fourteen States have enacted special standardization laws affecting apples only. Similar legislation affecting apple standardization has been enacted in all other important producing States through the provisions of general standardization laws affecting farm products or fruits and vegetables in general.

"Although the laws of the various States differ in certain respects," he continued, "the powers granted either in special laws or in general standardization laws are similar. In general they include provisions giving requirements for various grades of apples or they empower some State officer, Department, Board of Agriculture, or other authority to promulgate standards for apples.

"Generally speaking, the laws or regulations issued thereunder, require apples to be graded in accordance with established standards and

practically all of them require certain compulsory marking of containers. Certain penalties are provided for violation of the provisions of the acts."

Copies of Mr. Sherman's paper are obtainable from the Bureau of Agricultural Economics, Washington, D.C. It discusses the Export Apple and Pear Act, United States grades, misbranding, marking of containers, and inspection services.

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CALIFORNIA POTATO

LAW VIOLATOR ARRESTED

The California Department of Agriculture announced the second arrest this week of a violator of the State standardization laws, charged with attempting to ship a carload of rotting and decaying potatoes out of California. It was announced that the potato deal in Kern County is being "policed" to make sure that only salable potatoes are sent to market.

The car of unsatisfactory potatoes was intercepted by State officials at Barstow. The packer, L. G. Jordan, was taken before Judge Mannel at Shafter. He pleaded guilty and was fined \$50. After the tubers were reconditioned at Los Angeles, the shipment was permitted to be sent to its destination.

The first arrest was of a peddler who was trying to sell to housewives potatoes which had been ordered sent to a by-products plant after inspection had shown them to be unfit for human consumption.

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LOUISIANA WOULD INCREASE

DAIRY PRODUCTS MANUFACTURES

Louisiana dairymen are being urged by the Agricultural Committee of the New Orleans Association of Commerce "to build up the supply of milk needed for manufacturing purposes, so that home consuming needs for butter, cheese, and other manufactured dairy products can be supplied by our farmers." The Committee says that "Louisiana dairying has about reached the point where there is a full supply of milk available for fresh market purposes; more attention must be given to producing milk for manufacturing purposes."

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THE BUREAU OF AGRICULTURAL ECONOMICS reported this week that fruit crops of about average size are in prospect for this year, but prices to growers may not be much better than those received from the large crops last year. The price prospect is based on the "relatively low" purchasing power of consumers.

The Bureau estimated that world stocks of old wheat (excluding Soviet Russia and China) about July 1 will probably total around 650 million bushels compared with about 556 million in 1937. The world supply for the 1938-39 season may total 4.7 billion bushels, or about 320 million more than in 1937-38.

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J. C. BLAIR was recently appointed dean and director at the College of Agriculture, University of Illinois, to fill the vacancy caused by the death of Dean H. W. Mumford.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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★ JUL 16 1938 ★

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NEW YORK TRADE-MARK

LAW GOES INTO EFFECT

A trade-mark law to yield revenue with which to advertise New York State farm products will go into effect this week (on July 1) in New York State. The law is to be administered by the New York Department of Agriculture and Markets. The Department will sell labels to designate the quality and grade of farm products, and the revenue thus obtained will be used to advertise these products.

Commissioner Noyes of the New York Department said "the law offers tremendous possibilities. It will help producers of farm product recapture markets which may have been lost and will protect distributors and consumers."

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LONG DECLINE IN FARM

PRODUCTS PRICES HALTED

For 10 months the index of prices received by farmers for their products had declined, dropping from 125 in the BAE index for July 1937 to 92 for May 1938. A halt came in mid-June, with prices indexed at 92, the same as in mid-May.

The Bureau of Agricultural Economics reported that during the last month of record, increases in meat animal and poultry product prices offset minor declines in prices of other major groups of farm commodities. But the current index, 32 points under that of June 1937, is the lowest for June since 1934.

Poultry and eggs were the only products priced higher than in June a year ago.

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NEW JERSEY LICENSES

ICE CREAM MANUFACTURERS

The New Jersey Board of Milk Control announced this week that beginning July 1, anyone in New Jersey purchasing milk or milk products for manufacturing ice cream shall be licensed by the Board. The license fee is \$25. The Board explained that the law requires stores making ice cream for their own counter and retail trade to be licensed the same as the commercial companies. A canvas will be made soon to ascertain compliance with the law.

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UNITED STATES STANDARDS for rough rice, as amended, effective May 26, 1938, are obtainable from the Bureau of Agricultural Economics.

OHIO POULTRYMENTOP EGG MARKETS

The Ohio Extension Service reported this week that many Ohio poultrymen have been beating the usual "country run" price of eggs by from 3 to 5 cents a dozen during summer months for several years by using modern egg production and marketing methods. The eggs are gathered 3 or more times a day in hot weather, cooled rapidly below 70 degrees, and kept cool under canvas en route to market. It was stated that Ohio now has many markets which recognize quality and pay for quality.

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INTERNATIONAL INSTITUTEASSEMBLY ADOPTS RESOLUTIONS

Resolutions dealing with a survey of world agricultural resources, the instability of farmers' earnings and the means of stabilizing them, the influence of industrial inventions upon agriculture and on the marketing of agricultural products, and ways to improve the condition of farmers were adopted by the 14th General Assembly of the International Institute of Agriculture, held recently at Rome.

Ten delegates represented the United States, headed by Under Secretary M. L. Wilson of the United States Department of Agriculture. Other department officials included Dr. A. G. Black, Chief of the Bureau of Agricultural Economics, and L. A. Wheeler, in charge of Foreign Agricultural Service of the Bureau of Agricultural Economics.

It was announced that the preparation of monographs on the principal agricultural products will be continued. Reports on fats and oils and world production of meat have been completed. More than 50 countries and colonies were represented at the Assembly, "making the session the most broadly representative agricultural meeting of the year for international collaboration."

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NEW ORLEANS IS GOODMARKET FOR CALVES

Discussing recent trends in consumption of veal in the United States, the Agricultural Committee of the New Orleans Association of Commerce said this week that "the main demand in the New Orleans livestock market is not for the heavy beef type animals but rather for veal calves. The local stockyards have come to be recognized as outstanding markets for veal calves." Consumption of beef in New Orleans was reported to be less than the national average; consumption of veal was said to be more than double the national average.

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NEW HAMPSHIRE DEPARTMENTWARNS OF LUMBER CHEATS

The New Hampshire Department of Agriculture reported this week it had received a complaint that unethical lumber buyers are seeking small lots of sawed lumber, hauling off the lumber, collecting the proceeds,

and failing to pay the original owners. Owners were advised to investigate the financial and trade standing of all buyers before extending credit. The Department offered to assist in obtaining information about prospective buyers.

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MANY CHANGES IN MARKETING POTATOES

Notable developments have occurred in the marketing of late-crop potatoes during recent years, according to J. W. Park, agricultural economist, in Circular 475, "Marketing the Late Crop of Potatoes", recently issued by the Bureau of Agricultural Economics.

Park says "there has been a greater use of brushing and washing machines in cleaning potatoes for market and more of the small consumer-size bags have been used, although both the quantity packed in small bags and the quantity cleaned by brushing or washing are still relatively small for the late crop as a whole.

"Carlot shipments of potatoes in bulk have declined. A tendency to emphasize careful handling as a means of obtaining a better pack by preventing unnecessary bruising and mechanical injury is noted. Stricter enforcement of laws relating to misbranding as to grade and description of pack is evident and the number of State laws relating to marking containers and grading has increased. Greater use has been made of Federal-State inspection service.

"An increase in the use of the motortruck has brought changes in methods of potato marketing. A potato futures market has been inaugurated. A greatly increased production of potatoes in south-central California is now marketed in competition with some of the late-crop stock carried over to the spring and early summer and there was an increase in average production in 1932-36 in Maine and Idaho, and a decrease in the mid-western surplus States as compared with 1922-26."

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NORTHEASTERN EGG AND POULTRY COOPERATIVES MEET

The proper method of merchandising eggs by the cooperatives has become more of a problem each year, it was stated this week at the business management conference for Northeastern Egg and Poultry Cooperatives, held at Cornell University.

Lawrence Bigney, auction manager of the Brocton cooperative egg auction association said that "cooperatives without exception have improved the quality of the packs of eggs they have sold, but it does not seem just that these eggs should go on the open market unidentified to the consumer and the quality recognized only by the retailer, storeman, and jobber." The speaker told how his association increased sales by putting a cartoned egg on the market under a brand name.

The need for selling poultry on a quality basis was emphasized by Leon Todd of the New Jersey Department of Agriculture. He said that the live poultry grades developed by the New Jersey Department "have worked out even better than we anticipated."

GIVE CHICKENS PLENTY
OF ROOM, SAYS IOWA

The Iowa Extension Service issued a statement this week that "to prevent costly losses from over-crowding, market-bound poultry should always be given plenty of crate-room." During the hot summer months, the number of birds which can be accommodated in a standard size coop ranges from 16 heavy hens to 18 light hens, or from 24 heavy springs to 30 light springs, it was stated. The birds should have plenty of ventilation and protection from the sun, never hauled to market in sacks.

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JERSEY PRODUCE PRICES
"HIGHER THAN USUAL"

The New Jersey Department of Agriculture announced this week that "prices for New Jersey fruit and vegetable products have been higher than usual this season." New Jersey farmers were reported as having had a favorable marketing season to date, that they "are expecting a potato crop of good quality with better than average prices for the coming month."

The Department said that "southern New Jersey had the most successful strawberry season in several years, with the crop profitable to practically all growers. The quality was good and prices remained high due to a berry shortage in the competing States of Virginia, Maryland and Delaware."

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PRESIDENT ROOSEVELT
SIGNS NEW FOOD LAW

The new Federal Food, Drug and Cosmetic Act was signed this week by President Roosevelt. The act contains positive requirements for informative labeling in the interest of consumers in addition to the negative prohibitions against mislabeling contained in the old statute. It amplifies and strengthens the provisions designed to safeguard the public health and prevent deception, and extends the scope of the law to include cosmetics, therapeutic devices, and certain drugs that now escape regulation.

The general provisions of the law become effective one year from the date of its signature by the President, but certain provisions become effective immediately. These include the prohibition against the introduction of new drugs before they have been tested; the prohibition against drugs which are dangerous to the consumer when used as prescribed on the label; the prohibition against cosmetics which may be injurious to users.

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PRODUCTION of Kentucky bluegrass seed this year is about one-fifth of the record 1937 crop, it was announced this week by the Bureau of Agricultural Economics. This is the smallest crop in 4 years. The decline in production this year compared with last is largest in Missouri, Iowa and Kentucky.

A WORLD CROP of slightly more than 4 billion bushels of wheat is in prospect this year. The world supply - production plus stocks of old wheat about July 1 - was indicated at 4.7 billion bushels or about 320 million more than during the current season ended June 30. The figures do not include Soviet Russia and China.

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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IOWA EXTENSION SERVICE EFFECTS FARM ADJUSTMENTS

★ JUL 16 1938
U. S. Department of Agriculture

Nearly 132,000 Iowa farmers made changes ranging from major adjustments in cropping systems to minor alterations dealing with various phases of crops, poultry, livestock, disease or insect control during the past year, it was reported this week by the Iowa Extension Service. In helping to effect improvements, R. K. Bliss, Extension Director, said that nearly three-fourths of Iowa's farm families were given education service in one way or another.

Reports of extension agents indicated that a total of 145,204 families made some use of information obtained from the extension program in agriculture and home economics. Census reports place the number of farms in the State at about 210,000. The report presents a picture of busy county agents and other extension specialists carrying to farmers the results of physical and economic research, of hundreds of thousands of telephone calls for assistance answered, of thousands of meetings with farmers.

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NEW JERSEY LAUNCHES INTENSIVE SALES CAMPAIGNS

Secretary W. H. Allen of the New Jersey State Board of Agriculture reported this week a series of advertising and sales programs being developed to increase the consumption of New Jersey farm products. He said that "intensive competition from other food products and from producers in competing areas is driving home to New Jersey farmers the need for adopting these new implements."

A test campaign was conducted on eggs, in 4 cities; it is believed the results justify, Secretary Allen said, expanding the work on a State-wide basis. Announcement was made also that schedules already completed call for advertising the fruits and vegetables that move over New Jersey auctions and farmers' markets, the advertisements timed to appear when peak shipments of snap beans, berries, tomatoes, sweet corn and potatoes are ready.

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NEW YORK DEPARTMENT MAKES PERSONNEL CHANGES

Three changes in personnel of the New York Department of Agriculture and Markets were announced this week by Commissioner Holton V. Noyes. Daniel M. Frisbie, the Director of the Bureau of Milk Publicity was made Executive Officer of the Department and Administrative Assistant to the Commissioner. E. Manning Gaynor, confidential field representative

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of the Commissioner in dairy matters, was appointed as Director of the Bureau of Milk Publicity. Howard R. Waugh, Secretary of the Department for the last 2 years, was named an Assistant Director of the Bureau of Milk Publicity.

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MASSACHUSETTS TO DISCUSS MILK CONTROL PROBLEMS

The Massachusetts Extension Service announced this week that milk control and milk prices will be features of discussions at Farm and Home Week at the State College on July 27. The Week opens on July 26, runs through July 29. Milk prices under State control will be discussed by Jerry Bond, Jr., of the Boston Milk Control Board, and problems and procedures in administering Federal control will be discussed by Samuel W. Tator of Boston.

Sessions on July 29 will deal with land-use problems, the speakers to include George W. Westcott of the State College staff, J. D. Black of Harvard University, and A. W. Manchester, director of the Northeast division of AAA.

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EXPANSION IN FARM MORTGAGE CREDIT REPORTED

The Farm Credit Administration announced this week that private creditors lent more than \$653,000,000 on farm mortgages during the 12 months ended April 1, 1938, compared with \$642,000,000 during the preceding year. Total farm mortgage financing (including the Federal land banks and Commissioner) aggregated \$749,355,000 during the recent 12-months' period.

FCA reported that while the amount of mortgages written by individuals and commercial banks declined slightly during the first 3 months of this year as compared with the 1937 first quarter, the amount written by insurance companies continued to increase, being 15 percent above the 1937 level, and more than 3 times as high as in 1934. The amount of farm mortgages recorded by all agencies included renewals and refinancing of existing mortgages.

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MINNESOTA REPORTS ON STUDY OF LAND VALUES

Results of a study of farm land values, by districts in Minnesota, were announced this week by the Minnesota Extension Division. It was reported that values in northwest and northeast Minnesota have been on the up-trend since 1932-33, values in southeast and southwest Minnesota have been upward since 1934-35, but that in west and east central Minnesota, where farms suffered most severely from prolonged drought, the decline continued through 1936-37.

A number of favorable and unfavorable factors to rising sale prices of farm land were cited. Favorable factors include the current and prospective low interest rates on farm mortgages, the rate of return on the investment in farm land in some areas during the past few years, the increase in foreign demand since the low point of the recent depression, and improvements which may be expected over a period of time

with economic recovery.

On the unfavorable side were cited the decrease in foreign demand for farm products as compared with the decade 1920-29, the decline in number of horses and mules which has released about 38 million acres of crop land for other uses, decline in the rate of population growth and the change in age composition and consumption habits of people, the increase of taxes on farm real estate (more than twice as much in 1936 as in 1913), the continued disparity between prices received and paid by farmers, and the large number of farm properties that have been acquired and are available for sale by individuals and lending agencies.

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MANY FEATURES IN AGRICULTURAL SITUATION

Government agricultural news of the past month included announcements of proposed limits on speculative trading in grain futures under supervision of the Commodity Exchange Administration, and the inauguration of cotton classing and cotton market news services by the Bureau of Agricultural Economics.

The Bureau announced in its July issue of "The Agricultural Situation" that farmers' cash income from marketings and Government payments for the first 6 months of 1938 totaled about 3.3 billions compared with 3.8 billions a year ago. Another feature of the news is that a full month has passed with little net change in the index of prices of all farm products combined, after a period of 10 consecutive months of steady decline.

"Barriers to Interstate Trade" is the subject of a feature article by George R. Taylor in the July issue. Others articles include "The Corn Stabilization Program" by O. V. Wells, "Canning Crops - \$50,000,000 Industry" by G. Burmeister, "The Commodity Exchange Administration" by J. W. T. Duvel, "Estimating the Apple Crop" by R. Royston, and "New Services for Cotton Growers" by C. H. Robinson. The changes in the wheat harvest scene, from hand labor to mechanization, in the last 20 years, are discussed by R. F. Hale.

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CALIFORNIA PROSECUTES FOR DECEPTIVE PACK

Another prosecution for deceptive pack of potatoes in violation of State agricultural laws was reported this week by the California Department of Agriculture. The defendant, Giuseppe Rivara of Colma, was arrested for offering to sell potatoes arranged in such a manner that the consumer could not know that the top layer of large potatoes screened the lower layer which consisted of smaller, inferior potatoes. Rivara was fined \$50 and sentenced to serve 30 days in jail, service of the jail sentence being suspended for one year pending good behavior.

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GOVERNMENT MEAT INSPECTION EXTENDED

Extension of Federal meat inspection over interstate meat shipments by farmers, retail butchers, and retail dealers was announced this

week by the United States Department of Agriculture. Authority for the added control was provided in a recent amendment to the Federal Meat Inspection Act.

The new legislation is aimed at improving the system of exemptions under which relatively small interstate shipments of uninspected meat have been made. The Meat Inspection Act of 1907 provided that the inspection should not apply to animals slaughtered by any farmer on the farm and sold and transported in interstate and foreign commerce, nor to retail butchers and retail dealers supplying their customers in other States.

In the absence of a clear definition of "farmer" within the meaning of the original act, various persons and firms that in reality were small wholesale packers and processors began to operate as "farmers". The new amendment limits the interpretation of the word to its customary agricultural meaning and also defines the terms "retail butcher" and "retail dealer".

The chief immediate effect of the amended Meat Inspection Act will be to bring under Federal control a considerable interstate traffic in young veal which heretofore escaped any form of inspection. A number of small shipping centers have disposed of hundreds of carcasses of such animals weekly. The conditions have reacted unfavorably on the legitimate livestock and meat industry.

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NEW JERSEY REPORTS

EXPORTS OF PRODUCTS

First exports of New Jersey farm produce for this year were made last week, of shipments of earliest varieties of summer apples to Canada and England, according to a report from the New Jersey Department of Agriculture. Apples for both eating and cooking were ordered, and were graded U. S. No. 1 and New Jersey Fancy. The fruit was reported as of excellent quality and unusually large for so early in the season.

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ECONOMIC STATUS OF

SOYBEAN INDUSTRY REPORTED

In a technical bulletin recently issued by the United States Department of Agriculture, recent trends and present economic status of soybeans in the United States are discussed. The bulletin is a contribution from the Bureau of Agricultural Economics. The author is Ernest W. Grove, who had the assistance of various department economists and other specialists.

"Acreage of soybeans for all purposes in the United States has shown a marked and fairly continuous increase during the last 10 years, and the growth in bean production has been even more rapid than the expansion of acreage," it is stated. "But the increase in soybean crushings, most of which has taken place within the last 3 years, has been the chief factor in attracting popular interest to the soybean and its uses. Most of the increase in production has been in Illinois and other North Central States, and soybean-processing plants are largely concentrated in this area, at present."

It is stated that "as a large fraction of the soybeans produced in the United States is sent to the crushing mills, prices paid to growers depend on the value, at current prices, of the oil and meal produced."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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MINNESOTA STUDIESSTORAGE LOCKER NEEDS

Studying the development and operation of cold storage locker systems, the Minnesota Extension Service has concluded that "the cold storage locker plant should serve 250 to 300 patrons to give satisfactory service at reasonable charges. The usual charge is \$10 per year for the locker, 1 cent a pound for chilling, cutting, wrapping and freezing meats, another 1 cent for grinding hamburger, sausage, and lard. Added to this is \$1 for slaughtering the average hog, and \$1.50 for the average beef."

The New York State Agricultural Experiment Station at Geneva reports many requests for information as to the preparation of fruits, vegetables, meats, and dairy products for freezing. Instructions in the preparation of fruits and vegetables for freezing preservation are obtainable from the Station. In general, it is stated that vegetables require sorting, thorough washing, blanching or scalding, cooling and packaging followed by immediate freezing. Fruits must be sorted, cleaned, washed, mixed with sugar or syrup, packaged, and then frozen.

The New York Station says that "although the industry is only in its infancy, there are already more than 2,000 commercial cold storages in the United States, renting more than 1,000,000 lockers to farmers for use in freezing and storing perishable foods."

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MASSACHUSETTS TO DISCUSSPOULTRY INDUSTRY PROBLEMS

Trends and problems in the poultry industry will be subjects of discussions at meetings to be held July 28 and 29, during Farm and Home Week at Massachusetts State College, Amherst. Scheduled topics include "Results of the Egg Promotion Campaign", "Fixing Responsibility for Defects in Market Eggs", and "How Organized Marketing is Meeting the Needs of Poultrymen." Cleveland Gilcrease, manager of the New Hampshire Egg Auction at Derry will discuss auction methods of marketing, and Leland J. Graham, manager of the Connecticut Poultry Producers, Inc., of New Haven, will speak on the producers' cooperative. Poultry farm management in New Hampshire will be described by H. C. Woodworth, extension economist from the New Hampshire University.

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TWO NEW UNITS of marketing research have been started at Cornell University, to deal with fruit and livestock, the fruit work to be under the guidance of Dr. F. A. Harper, the livestock work under Dr. W. M. Curtiss.

ILLINOIS FARMERS ADVISED
TO MARKET WHEAT EARLY

The Illinois Extension Service issued a release this week saying that "early marketing of winter wheat by Illinois farmers may be more advisable than holding for a better price, it is believed by E. J. Working, associate chief in agricultural economics, College of Agriculture, University of Illinois.

"His belief is based upon prospects for a good export demand for United States wheat in the next two or three months. Small supplies of old-crop wheat in other exporting countries will probably result in a favorable opportunity for exports from this country in the next three months.***Demand for wheat from the United States will depend not only upon the general level of demand in foreign countries, but also on supplies of wheat and to a lesser extent production of other foodstuffs abroad."

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BOSTON MILK INJUNCTIONS
TO CONTINUE IN EFFECT

The New Hampshire Department of Agriculture reported this week that "the United States Circuit Court of Appeals for the First Circuit issued a decision on June 24 to the effect that the temporary injunctions requiring handlers of milk in the Boston milk market area to comply with the provisions of the Federal market order regulating the handling of milk are to 'continue in force until the final determination of the cases on their merits.' This decision was in answer to the request of the distributors that the temporary injunction should be discontinued."

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SECRETARY WALLACE ANNOUNCES
PROGRAM FOR 1938 WHEAT LOANS

A wheat loan program offering cooperating wheat producers loans at farm rates averaging between 59 and 60 cents a bushel was announced this week by Secretary Wallace.

The loan is made under the provisions of the Agricultural Adjustment Act of 1938, and is approximately 52 percent of the present farm parity price of wheat, \$1.14 a bushel. The loans will be made by the Commodity Credit Corporation, and AAA committees will certify producers who are eligible for loans and be responsible for grading and inspecting farm-stored wheat placed under loans.

The rate of the loans to be offered farmers at individual points will be calculated from basic rates established for the principal terminal markets with differentials for freight and handling charges for interior points in the western and central parts of the United States and flat rates by States elsewhere.

"The wheat loans are a part of an integrated ever-normal granary program for our major farm crops," Secretary Wallace said in announcing the program. "It can succeed only as wheat farmers cooperate in the whole AAA program for wheat."

INTERNATIONAL EVER-NORMAL
GRANARY TO BE PROPOSED

Secretary Wallace announced at his press conference today (July 13) that an international ever-normal granary plan covering all major wheat-producing countries of the world will be proposed at the International Wheat Conference that opens in London on July 14. Dr. A. G. Black, Chief of the Bureau of Agricultural Economics, will make the proposal. Secretary Wallace said that other nations have not been consulted about the plan, but that he hoped the proposal would be received favorably.

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KENTUCKY REPORTS ON
REGIONAL HOG STUDY

A bulletin entitled "Regional Development of Hog Production in Kentucky" was released this week by the Kentucky Agricultural Experiment Station. In the summary it is stated that "the swine enterprise on Kentucky farms during the past 12 years accounted for an average of 8.5 percent of the total cash income received by farmers," but that "even with the hog enterprise furnishing this proportion of the income on Kentucky farms, it can be classed as a major farm enterprise only in a few counties of the State, while in the remainder of the State, it takes the form of a side line or minor farm project."

The number of hogs produced in Kentucky is reported to have declined steadily since 1870. In 1870, 7.3 percent of the nation's hogs were located within the State. By 1930, the proportion had declined to 2 percent. Since 1930, the proportion of hogs in Kentucky has increased slightly, while in other areas there has been a decrease. But this situation "is perhaps only temporary," the Station says, having been caused by recent widespread droughts in other important producing sections.

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COMMISSIONER NOYES WANTS
DIRECT VOTE ON MILK CONTROL

In a radio forum this week, Commissioner Holton V. Noyes of the New York Department of Agriculture and Markets said that although he is convinced that milk control by New York State and the Federal Government is "the only kind of milk control that will work", he "will not assist in establishing either State or Federal control unless convinced in some definite and accurate manner that producers themselves really want it."

BUREAU REPORTS ON
QUICK-FREEZE FRUITS

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Cold storage holdings of quick-freeze fruits are being reported now by the Bureau of Agricultural Economics in its monthly cold storage reports of all commodities. Heretofore, quick-freeze fruit items were included with cold-packed and preserved fruits.

Of the total stocks (25,360,000 pounds) of quick-freeze fruits and berries reported as of July 1, the heaviest holdings were 10,980,000 pounds of strawberries. Of special significance was the report of 995,000 pounds of Logan and similar berries, such as Youngberries and Boysenberries, most of which were processed at Pacific Coast points.

VIRGINIA REPORTSHEAVY INSPECTIONS

A large increase in the demand for official inspection of vegetables in Virginia this season compared with past years was reported this week by J. H. Meek, Director of the Virginia Division of Markets. Mr. Meek said the increase "shows an awakening of interest among producers and shippers of vegetables in Virginia in standardization and official inspection."

Up to and including July 9 this season, 7,383 cars of potatoes were inspected in Virginia, compared with 5,228 last season. The demand for inspection on tomatoes for canning indicates, says Meek, that the volume this season will be 2 or 3 times as much as last season. Inspection of green-wrapped tomatoes is under way.

Other vegetables inspected are beans, beets, celery, kale, onions, peas, cabbage, spinach. Increased demand for sweetpotato inspection during the coming season was reported.

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BUREAU REPORTS ONEGG STORAGE MARGINS

A tabulation giving the representative cost of holding 25-cent eggs in cold storage for a period of 8 months is contained in United States Department of Agriculture Circular 73 (recently revised), entitled "The Cold Storage of Eggs and Poultry. In this representative cost table the warehouse charges per dozen are estimated at 2.1 cents, interest on investment at 1 cent, insurance (15 cents per \$100) at .02 cent, and estimated depreciation and loss at 1 cent. Total cost at time of delivery is 4.12 cents. Not counting the 1 cent depreciation, the carrying charges alone total 3.12 cents per dozen, or practically 12½ percent of the original cost of the eggs.

Other topics of interest to poultrymen are the extent and value of poultry and egg storage, growth of the industry, margins derived from storage, the growing appreciation of cold-storage products, and the production of the monthly cold storage reports by the Bureau of Agricultural Economics.

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THE BUREAU OF AGRICULTURAL ECONOMICS reports that wage rates paid to agricultural workers increased seasonally during the second quarter of 1938, but by July 1 had failed to reach the level of a year ago. At 120 percent of prewar, the Bureau's mid-year index, although 5 points higher than on April 1, was 3 points lower than on July 1, 1937.

"SHRINKAGE AND DRESSING YIELDS OF HOGS" is the title of Technical Bulletin 621, obtainable from the Bureau of Agricultural Economics. It is stated that the rapid increase in direct marketing of hogs during recent years has stimulated interest in comparisons between shrinkage in transit and dressing yield of hogs bought direct and hogs bought at public markets.

MIMEOGRAPHED REPORTS obtainable from the Bureau of Agricultural Economics include a check list of standards for farm products formulated by the Bureau, a tabulation of farm production from meat animals, by States, 1936-37, and statistics on the disposition of feed grains (corn, oats, barley and grain sorghums) during the crop years 1909-1936.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 20, 1938

U. S. Department of Agriculture Vol. 18, No. 29

WELLS A. SHERMAN CLOSES LONG OFFICIAL MARKETING CAREER

Wells A. Sherman, who has been in charge of the fruit and vegetable marketing work of the Bureau of Agricultural Economics practically since its beginning, will retire on July 31. He will leave the service, on automatic retirement, after completing nearly 43 years with the Federal Government.

Except for the 7 years when he was an examiner in the Civil Service Commission and the 2 years with the Bureau of Plant Industry, Mr. Sherman has been connected with the work of the Bureau of Agricultural Economics.

He was a pioneer in launching the work of the Bureau and active in helping to formulate and shape many of its policies and regulations. In the early days of the Bureau his attention was particularly directed to developing a market news service covering various farm products. In January 1918 he was entrusted with the collection of excess profits made in wool under war regulations and for several years thereafter administered this work in addition to his regular work in the marketing of fruits and vegetables. In 1920 all of the fruit and vegetable activities of the Bureau were united in the Fruit and Vegetable Division under Sherman's direction. The division expanded rapidly, particularly the inspection service, which in 1922 was extended to shipping points. His work in organizing the Nation-wide shipping point inspection service for fruits and vegetables is one of his outstanding accomplishments. During the past year this service certified the grade of more than 400,000 carloads of fruits and vegetables.

The Produce Agency Act of 1927, the Standard Container Act of 1928, the Perishable Agricultural Commodities Act of 1930, and the Export Apple and Pear Act of 1933 all have been administered since their beginning under Mr. Sherman.

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TRANSPORTATION DIVISION IS ESTABLISHED IN B.A.E.

A Transportation Division, under the leadership of Ralph L. Dewey, has been established in the Bureau of Agricultural Economics. The division has been set up because of the designation by Secretary Wallace of the Bureau as an agency to administer Section 201 of Title II of the Agricultural Adjustment Act of 1938 relating to transportation of farm products. This section authorizes the Secretary of Agriculture

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"to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products," and to appear before the Commission at hearings held upon complaint filed by others. The Secretary also is authorized to cooperate with and assist cooperative associations of farmers making complaint to the Interstate Commerce Commission.

The work of the new division will include the assembling of basic data on transportation rates by rail and truck, volume and movement of traffic in agricultural commodities, transportation charges and practices and their effect upon agriculture, preparation of economic briefs and other specific documents necessary in connection with appearance by the Secretary before the Commission, and any other work that may be necessary to the effective administration of the section of the Act relating to transportation.

Dr. Dewey, the leader of the new division, has specialized in transportation matters since his undergraduate days. He holds degrees from Ohio State University and the University of Michigan.

He has taught economics and transportation in some of the leading universities. He was a member of the staff of the National Transportation Committee which sponsored in 1932-33 a study of the transportation system of the United States. In 1935 he entered Government service. He was first in the Federal Power Commission, then in the Department of Commerce as chief of the Division of Transportation in the Bureau of the Census, and the Bureau of Foreign and Domestic Commerce.

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REPORT ISSUED ON DIVERSION PRICE-DEPRESSING SURPLUSES

Approximately \$54,000,000 was expended during the 1937-38 fiscal year for diversion from regular commercial channels of price-depressing surpluses of agricultural products, a preliminary report released by the Agricultural Adjustment Administration reveals. Included were the purchase of more than 40 different agricultural commodities for subsequent distribution to State welfare agencies, and the operation of 18 diversion programs for developing new uses, encouraging new domestic markets and exports for farm products.

The purchases of commodities distributed for relief use by the welfare agencies were made by the Federal Surplus Commodities Corporation to remove surpluses and to help farmers improve selling conditions. More than \$45,500,000 was spent for this purpose, and more than one billion pounds of foodstuffs were procured.

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GEORGIA AND FLORIDA TO HAVE TOBACCO MARKET NEWS SERVICE

Market news on tobacco will be inaugurated in Georgia and Florida markets on July 28 by the Bureau of Agricultural Economics. These markets open on that date.

A radio chain will disseminate weekly over 25 stations in the southeastern territory average prices by grades on tobacco in this area. Weekly mimeographed reports also will be issued from a temporary office established at Valdosta, Ga., in charge of Bernard Lubschutz.

PROSPECTIVE SUPPLIES OF LIVESTOCK
LARGER FOR COMING MARKETING SEASON

Supplies of hogs will be larger for the forthcoming year beginning next October, than in the present year, and supplies of cattle and of slaughter lambs will be larger during the late summer and early fall than a year earlier, the Bureau of Agricultural Economics indicates in its July "Situation" reports on these commodities. It seems probable that during the marketing season now beginning farm products will be sold under improving demand conditions which still will be relatively unfavorable compared with some recent years, the Bureau said.

The effect of the larger supplies upon hog prices for the year as a whole probably will be offset, at least in part it was said, by the prospective improvement in the consumer demand for meats.

As to cattle prices, the outlook during the late summer and fall months has been improved somewhat by prospects for some pick-up in industrial activity and in consumer demand. The seasonal advance in prices of the better grades of slaughter cattle during the remainder of the summer and early fall may be greater than was expected earlier. But supplies of well-finished cattle will be larger and consumer income smaller during this period than a year earlier. Hence, prices of the better grades of slaughter cattle are not likely to reach the unusually high levels of the late summer and early fall of 1937. It seems probable that with some improvement in industrial activity and consumer income during the next 6 months the decline late this year will not carry prices of such cattle in late 1938 and early 1939 to as low a level as was reached in the corresponding period of 1937-38.

Prices of lambs probably will remain below those of last year during the next few months, with some decline from mid-July levels as supplies of grass-fat lambs increase seasonally. The Bureau points out, however, that in the late fall and early winter months improvement in consumer demand for meats and in prices of wool and pelts probably will be strengthening factors to lamb prices.

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NEW JERSEY HAS NEW PRESIDENT
STATE BOARD OF AGRICULTURE

Lester Collins of Moorestown, one of New Jersey's largest fruit growers, was elected president of the New Jersey State Board of Agriculture at a meeting held in Trenton July 19. He succeeds Herman C. Demme of Sewell whose term expired this month.

Mr. Collins is a former president of the New Jersey State Horticultural Society and one of the pioneers in exporting apples and pears to Europe. He operates large cranberry and blueberry holdings as well as orchards in Burlington County.

James C. Ewart of Cranbury, prominent potato grower who has been associated with agricultural activities for many years succeeds Richard S. Schomp of Stanton as vice-president.

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WHOLESALE MARKET PRICES AT SAN FRANCISCO FOR CERTAIN FRUITS AND VEGETABLES, 1937, a market summary prepared by W. F. Cox and W. L. Jackson, has just been released by the Bureau of Agricultural Economics. The study was a joint project of the Bureau and the California Department of Agriculture.

ATLANTA, GA., TO HAVE NEW
STATE FARMERS' MARKET

The proposed new State farmers' market in Atlanta, Ga., will be up-to-date in every respect, an article in the July 15 issue of the Market Bulletin of the Georgia State Department of Agriculture indicates. There will be ample room to accommodate not only all the farmers' trucks as they come from over the State, but all commission houses and dealers in produce in Atlanta. There will also be space for parking the trucks and cars of buyers and room so the cars and trucks of the purchasers can drive through without crowding. Cold storage rooms to take care of surpluses also will be provided. In short, this will be a modern market, it was stated, where the produce of Georgia farms can be disposed of to the best possible advantage at the largest cash return.

At a meeting to hear protests by Atlanta citizens who live somewhat near the proposed location for the new market, Columbus Roberts, Commissioner of Agriculture, said in part:

"The marketing of produce in the city of Atlanta has increased fifty times over in the last 8 years. There are fifty trucks coming into Atlanta today with produce, where one came in 1930. I think it is safe to predict that there will be five trucks in 1943 on the Atlanta market where there is one now. *** We have trucks coming into Atlanta from Mexico, Texas, Michigan, Maine, hauling produce here. They are coming for one reason--they can dispose of their loads quicker here, and get a load to haul back."

Governor River said at this same meeting:

"The present location of the State farmers' market is entirely inadequate and the lease runs out in 2 years. *** The Federal authorities and the Federal marketing people were asked to come to Atlanta and make a survey of the situation and advise on a course that would solve not only present needs, but anticipate future expansion."

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LOUISIANA HAS TWENTY-ONE NEW
LAWS AFFECTING AGRICULTURE

A total of 21 agricultural laws was added to the Louisiana statutes by the 1938 session of the legislature, the Agricultural Committee of the New Orleans Association of Commerce reports. These laws covered a number of different subjects, with at least eight of the statutes dealing in some form or other with the livestock industry. Two of the Acts deal with cooperative association matters, two with the sale of cotton, and other subjects covered by an Act included the creation of the Louisiana Milk Commission, regulating the sale of certified seeds, providing for fruit and vegetable reciprocal quarantines, the creation of soil conservation districts, appropriating money for a Louisiana poultry exhibit, governing the ejection of share croppers, and the repeal of the tick eradication tax.

Two constitutional amendments are to be submitted this fall for approval by the people of the State, one of these providing for the issuance of \$5,000,000 in bonds by the Highway Commission, half of which shall go for constructing farmers' roads. The other amendment would allow Police Juries to hold elections to approve or disapprove the issuance of up to \$300,000 in bonds for the purpose of constructing industrial plants to process agricultural products, these plants to be leased to private capital.

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MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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OHIO FARMERS LEASE ELEVATOR IN FORWARD MARKETING STEP

Ohio farmers have moved another step forward in marketing their grain cooperatively through the leasing by the Ohio Farmers' Grain and Supply Association of the Fostoria Terminal Elevator, says B. A. Wallace, specialist in farm marketing, Ohio State University. The elevator has a storage capacity of 1,200,000 bushels of grain.

This elevator also has grain-drying equipment which will take 5 percent of moisture from 1,000 bushels of grain every hour. The railroad facilities at the elevator permit the loading of 21 cars of grain at the same time without any extra switching of cars.

Mr. Wallace says that the city of Fostoria is situated almost on the dividing line between the surplus and the deficit areas in grain production both of Ohio and of the Nation. This makes the location of the elevator very advantageous.

Railroad lines running into Fostoria and their affiliates give the elevator access to eight railroad systems for receiving and sending grain. The University marketing specialist believes there is a good field at Fostoria for the processing and conditioning of grain of inferior quality and for the storage of all grain during the marketing process.

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MAINE TRIES OUT INSPECTION ON GREEN BEANS FOR CANNERIES

Experimental inspection service on green beans for canneries is being undertaken by the State of Maine in cooperation with the Bureau of Agricultural Economics. This service is somewhat similar to the inspection provided on corn for canneries, which has been carried on by the State in cooperation with the Federal Bureau for the last 3 years.

The purpose of these services is to give the canneries a quality basis for paying the growers for their products. The inspectors determine the percentages of U. S. No. 1 and No. 2 grades in each load delivered by the grower.

Malcolm Smith of the Bureau of Agricultural Economics is in charge of this work.

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MARKETING PRACTICES IN PRODUCERS' LOCAL COTTON MARKETS, by J. W. Wright, senior agricultural economist, is a report just released by the Bureau of Agricultural Economics. It deals with certain aspects and problems of the marketing process for raw cotton and is the first of its

kind covering the Cotton Belt as a whole. The material is issued in preliminary form in order to make it available for administrative purposes and for the use of those engaged in research relating to producers' local cotton markets.

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PENNSYLVANIA PROTECTS
EGG MARKETS BY SEIZURES

Farmers' markets for fresh eggs were protected by 18 arrests made this month by the agents of the Pennsylvania Department of Agriculture. In one raid, the Department reported, food agents seized 93,000 eggs classified as "incubator rejects" and alleged to be consigned to bakeries in another State. They were destroyed as unfit for human consumption.

Seventeen arrests were made for violations of the fresh egg law. In each case eggs which did not comply with the legal definition of fresh were marked contrary to regulations applying, according to the State Bureau of Markets, which made the arrests.

The truck driver, in whose possession the 93,000 spoiled eggs were found, testified that the eggs were purchased from commercial hatcheries in Juniata County after they had failed to hatch and that he had been instructed to deliver them to a point in New Jersey. He said they would change hands four times between the hatchery and the baker and that the baker would pay \$2.50 a case for them. He failed to identify the other parties involved, explaining that his truck was loaded and unloaded in his absence.

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CALIFORNIA CLING PEACH CANNERS.
GROWERS CONSIDER MARKETING ORDER

About 50 canners of cling peaches in California and 2,393 growers recently had before them for consideration a proposed marketing order relating to canning cling peaches. The State Department of Agriculture, which makes this announcement, submitted the order to the canners and growers following public hearings held at Sacramento. If 65 percent of the growers and canners assent, both by number and volume, the State Director of Agriculture may declare the order effective.

The proposed order would limit the pack of California cling peaches this year to 140,000 tons for all purposes, including fruit salad, fruit cocktail, and other purposes. To equalize the burden of the surplus of canning peaches among all producers, the order would provide for a survey of all orchards whose owners are unable to market their 1938 crop of number one fruit. To pay growers who cannot market their fruit, the order would provide an equalization fund to be created by a charge against all number one fruit picked and packed.

Among other provisions, the order would also provide for collection of assessments from all growers and canners at the rate of 30 cents per ton upon the tonnage canned for general administrative expenses, and at the rate of 50 cents per ton upon the tonnage canned for an advertising and sales promotion program.

NEW JERSEY HAS NEW
EXTENSION FRUIT SPECIALIST

Appointment of Harold John Sefick as assistant extension fruit specialist was announced July 28 by Professor H. J. Baker, director of the Agricultural Extension Service at the State College of Agriculture, Rutgers University. His work will be devoted largely to small fruit.

Mr. Sefick is a graduate of Rutgers, having majored in pomology. For the last year he has been assistant professor of horticulture at Clemson Agricultural College. He will probably be available for field service by the latter part of August.

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MORE PROFIT FOR THE FARMER
WHO SELLS ONLY INFERTILE EGGS

By producing only infertile eggs for market, farmers have a chance to boost their poultry profits by thousands of dollars annually, according to H. H. Alp, poultry extension specialist, College of Agriculture, University of Illinois.

"It is almost an impossibility to market eggs of high quality when they are fertile," he said. "This is especially true during hot weather since a fertile egg will start incubation at a temperature slightly above 65 degrees Fahrenheit. Blood rings are a natural result of partial incubation in fertile eggs.

"A high percentage of fertile eggs will eventually be thrown away as rots. This loss backs up to the producer and is one of the biggest losses he suffers. There is only one way to eliminate fertile eggs and that is to remove all males from the laying flock immediately following the close of the breeding season."

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TOBACCO SEASON OPENS;
OUTLOOK RATHER FAVORABLE

The general outlook for all types of tobacco in 1938-39 is rather favorable, although less favorable than in 1937-38, says the Bureau of Agricultural Economics in its July Tobacco Situation report. The new marketing season gets under way this week with the opening of the Georgia-Florida markets on July 28.

Indications are for a lower production of flue-cured, fire-cured, and dark air-cured types, no significant change in Burley, and moderate increases in Maryland and the cigar types. However, due to changes in stocks the total supplies of most types are expected to show only moderate changes from last year. A significant increase in supply is indicated for Burley and cigar wrapper types, while supplies of dark tobacco are expected to decline.

By far the larger proportion of domestic exports of tobacco is flue-cured, foreign purchases of which have been heavier than usual during the past year. The consumption of flue-cured tobacco is tending to increase in foreign countries, and foreign demand for United States leaf in 1938-39 is expected to be fairly good. It is doubtful, however, that demand will be as active as in 1937-38 due to the return of stocks to a more normal level in Europe and the disturbing effects of military operations in the Orient. Further increases expected in production in the principal foreign flue-cured producing countries, with the exception of China, also will tend to result in some decline in the demand for American flue-cured.

FARMER CO-OPS REACH RECORD
MEMBERSHIP, SURVEY REVEALS

More than 3 million farmers, or nearly one-half of the total number in the country, are now cooperatively marketing farm products or purchasing farm supplies, insurance, or farm business services through cooperative organizations, the Farm Credit Administration reported last week. Data showing the present record high level of farmer membership in cooperative associations was released following a door-to-door survey of 15,500 such organizations now operating throughout the United States.

Membership in most of the older types of farmer cooperatives, such as those marketing milk, livestock, and grain, was said to be back to pre-depression levels; while the younger organizations handling fruits, vegetables, and specialized crops are boosting cooperative business to peak figures. Meanwhile the growth of co-op filling stations, feed stores, and farm supply associations has doubled the membership of purchasing associations during the past 5 years to more than a million farmers.

The great majority of farmer-cooperators are members of more than one association, selling grain to a co-op elevator, livestock to a shipping association, and so on. But after allowing for duplication, officials of the 13 banks for cooperatives who made the survey report that more than 3,200,000 farmers buy insurance from 1,909 cooperative and mutual companies; more than 2,000,000 farmers are members of 10,752 associations marketing farm products and purchasing farm supplies and related services; 177,000 are members of 2,442 cooperative irrigation companies; and 62,000 in 407 other types of associations.

Gross sales of the 10,752 marketing and purchasing cooperatives aggregated \$2,715,000,000, of which \$2,280,000,000 represented sales of farm products and \$435,000,000 cooperative farm supply purchasing.

More than 2,300 cooperative creameries, milk bargaining associations, and co-op cheese factories -- some of which go back 60 years to the Agrarian Crusade of the Seventies -- have the largest number of farmer members, more than 650,000. Membership in 2,600 grain marketing associations is about 360,000; and the membership of associations marketing cotton, livestock, poultry, and fruits and vegetables also ran into six figures.

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THE BUREAU OF AGRICULTURAL ECONOMICS estimated this week that farm income from marketings and from Government payments during the first 6 months of this year totaled \$3,341,000,000. This is 13 percent less than the half-year total of \$3,829,000,000 in 1937. About the usual changes in receipts from farm marketings are expected for the third quarter of 1938. This will mean that the July-September cash farm income, including Government payments, will total about \$2,000,000,000 the Bureau said, compared with \$2,342,000,000 in these 3 months last year. Government payments in the third quarter are likely to be considerably greater than the small total of \$20,000,000 received in this quarter last year.

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WILLARD H. ALLEN, State Secretary of Agriculture in New Jersey, this week was presented with a citation by the New Jersey Association of Nurserymen in a meeting at the State College. The citation was made in recognition of Mr. Allen's "loyalty and generous contribution to agricultural development."

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NEW JERSEY QUEEN BEESHIPMENTS BEGIN THIS MONTH

AUG 13 1938
U. S. Department of Agriculture

Queens from the finest bee hives in New Jersey are being chosen this month to represent their apiaries in competition with queens in countries as distant as Australia, Germany, and Ireland, the New Jersey State Department of Agriculture reported August 3.

During July and August, rearers of queen bees in that State do their greatest export business. By air mail to every State in the union and in specially constructed cages complete with ten attendants to serve "Her Majesty", New Jersey queen bees are sent to replenish colonies in South America and Europe. Ports in the Azores, ranches in the provinces of western Canada, are a few of the destinations for these bees.

New Jersey queens are in demand abroad because of their freedom from disease and their ability to breed strong healthy bees for pollination and honey-making, the State Department of Agriculture reported. Proof of their ability to withstand the confinements of travel without injury is evidenced by the steadily increasing purchases of queens from that State in all parts of the world.

Queen rearing apiaries in every part of the State are inspected in May and August of each year to determine the health of the queen and her retinue, Paul L. Holcombe, inspector of bee culture in the New Jersey Department of Agriculture, stated. Each queen bee sent out of the State carries a special certificate attesting to her health and that of her colony.

Most popular races for export are the Caucasian, Italian, and Carniolian, in which qualities are combined for producing bees profitable both in the production of honey and in the pollination of fruits and vegetable crops.

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PENNSYLVANIA CITES REASONS FOR
POTATO MARKETING PROGRAM SUCCESS

The success of the 1937-38 potato marketing program in Pennsylvania was due to three factors, State Secretary of Agriculture Hansell French declares. The enthusiastic cooperation of 618 growers and of 104 packers, the enactment by the 1937 legislature of the potato marketing law and the rigid enforcement of that statute by the Bureau of Markets, aided by the growers and packers, and the creation in 1937 of the Potato Interests Division of the State Department of Agriculture.

State potato growers during the 1937-38 marketing season sold one million bushels of graded and inspected potatoes in special consumer packages identifying the contents as high quality Pennsylvania potatoes, Mr. French states.

NEW YORK DAIRYMEN URGED TO MEET "POOR PEOPLE'S" MARKET

Reaching the "poor people's" market was offered western New York dairymen at their second annual dairy field day in Batavia, N. Y., July 30, as one aid to a more abundant income for dairy farmers. They heard the statement by J. C. Nisbet, associate editor of Hoard's Dairyman, the New York State Colleges of Agriculture and Home Economics reports, that dairy farm income will be increased by cutting costs, which means efficiency or higher production.

"That is where the registered cattle owner has his opportunity," declared Mr. Nisbet. "We are producing milk and manufacturing products in America for poor people, not for the wealthy," he stated. "If price were our only solution to a more abundant income for the man milking cows, butter could be put at one dollar a pound, or five dollars a pound. Milk could be set at twenty-five cents a quart. But how many customers would we have?"

The speaker emphasized the importance of dairy cattle breeding as giving "a greater promise of reward for constructive effort. The future looks bright for the man who owns good dairy breeding stock and uses it as a source of superior inheritance.

"We breed cattle," Mr. Nisbet said, "for no other reason than to produce milk for America's population. We can breed cattle that will net dairy farmers from 6 to 10 cents more a pound of fat. On a farm producing 6000 pounds of fat, this means from \$300 to \$500 greater income every year."

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MASSACHUSETTS APPOINTS POULTRY DEPARTMENT HEAD

Raymond T. Parkhurst was announced as successor to John C. Graham as head of the poultry department of the Massachusetts State College on the program of the twentieth annual Massachusetts State College Farm and Home Week, held at Amherst, Mass., July 26-29, inclusive.

Mr. Parkhurst was born in Everett, Mass., and was graduated from the College, then Massachusetts Agricultural College, with a B.S. degree in 1919. He has been professor of poultry husbandry at the University of Idaho, extension poultry husbandman in Iowa, director of the National Institute of Poultry Husbandry, Harper Adams Agricultural College, Newport, Salop, England, and for some time he was connected with a national oil products company as research director.

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PACKERS OF PENNSYLVANIA GRADED and inspected potatoes made direct store deliveries in 114 cities and towns in the State during the marketing of the 1937 crop. These potatoes were all delivered in special containers showing the brand mark of high quality Pennsylvania-grown potatoes, the State Department of Agriculture points out.

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THE ESTABLISHMENT OF A SOUTHERN LABORATORY for testing all lots or strains of certified seed potatoes offered annually for sale to the South was recommended recently by the Louisiana Potato Growers Association to the State Department of Agriculture and cooperating representatives of the Southern Plant Board.

CALIFORNIA PRODUCE DEALERS
ACT IS SUSTAINED BY COURT

The California Produce Dealers Act, which provides for the licensing, bonding, and regulation of all commission merchants, buyers, and handlers of farm products, including all fruits and vegetables, livestock, wool, poultry, eggs, seeds, hay, and grain, has been sustained by the District Court of Appeals in the Fourth Appellate District.

The marketing statute, which provides penalties for violation, was attacked by Leo Terkanian, otherwise known as Leo Tucker, who was arrested by officers of the Division of Market Enforcement and found guilty in a trial before an Imperial Valley Superior Court jury several months ago, and thereafter sentenced to a jail term.

Terkanian, in his appeal, declared that the provisions of the law defining a dealer as a buyer of farm products were indefinite, unreasonable, and unconstitutional. Appellate Justice Marks, who wrote the decision, dismissed the argument with the statement that "The Legislature was defining the word 'dealer' which in itself implies one engaged in the business of buying and selling. In using that word as the one to be defined, the definition in the statute relates to the activities of one engaged in such business to the exclusion of another not engaged in such business. This would exclude from the effect of the section a person making a single or casual purchase of a farm product not in the usual course of the business of the purchaser."

The Produce Dealers Act, which with related regulatory marketing statutes has been previously sustained by California's high courts, permits the Director of Agriculture to entertain and act upon complaints filed by growers and producers of farm products, to make investigations, hold hearings, and make reparation orders on disputed transactions, as well as to suspend or revoke licenses for violation. In the last 5 years, the Division of Market Enforcement, the Department agency administering the law, has recovered and returned to growers more than a million dollars.

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NEW JERSEY TOMATO CANNERIES
BEGIN SEASON'S ACTIVITIES

The first loads of New Jersey red ripe tomatoes are moving this week from the fields to the canning houses.

According to the New Jersey State Department of Agriculture, tomatoes exceed all other commodities canned in that State and New Jersey is fourth in rank in the United States in the production of this product for manufacture. However, the anticipated total production for manufacture this year will be very small, approximately the same as last year's 137,800 tons, and far below the 10-year 1927-36 average annual production of 168,460 tons. This year's small crop is due to heavy storm damage as well as sun scald in some areas.

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A GENERAL UPTURN IN LOCAL MARKET PRICES for all groups of farm products except grains was reported July 28 by the Bureau of Agricultural Economics for the period from mid-June to mid-July. The index of prices received by farmers advanced 3 points during the month -- the first advance recorded in exactly 1 year.

METHODS BEING SOUGHT TO PREVENT
FRAUDS BY "COMMODITY COUNSELORS"

Officials of the leading commodity exchanges and of the United States Department of Agriculture met in Washington August 1 in a conference called by Secretary Wallace, to consider methods of preventing so-called commodity counselors from defrauding the public through promises of extraordinary profits from dealings on the commodity exchanges. In the absence of the Secretary, Harry L. Brown, Assistant Secretary, presided and laid before the conferees Secretary Wallace's recommendation that vigorous action be taken to discourage brokerage houses from accepting business from certain types of commodity counselors.

During the past year the Commodity Exchange Administration has been making an investigation of trading on commodity exchanges by persons who use other people's money. "Of the 4,488 accounts controlled by persons other than the owner, approximately 600 are managed by so-called commodity counselors or tipsters," the Secretary stated. The owners of controlled accounts live in every State of the United States, three United States territories, and sixteen foreign countries. Although the volume of trading of commodity counselors as a group amounts to only a small percentage of the total transactions on commodity exchanges the operations of some of these traders reach large proportions. During 6 months in 1937 the commodity counselor with the largest dealings had total wheat transactions amounting to 39,770,000 bushels, corn transactions amounting to 11,430,000 bushels, and cotton totaling 239,100 bales.

Commodity counselors have been instrumental in bringing into the future markets persons of limited financial means who are unable to assume large risks and ordinarily do not speculate in commodities, the investigation shows. Usually the commodity counselors' remuneration is provided for in an agreement by which they share the profits but not the losses with the client. All of the sixteen counselors, who controlled ten or more accounts each during the first 8 months of 1937, lost money for a considerable percentage of their clients.

At present, the report discloses, one company deals in commodities exclusively. The managers and selling agents of this company, who are also its officers and directors, receive a monthly management fee equal to 1/12 of 1 percent of the liquidating value of the company assets and a selling commission equal to about 9.3 percent of the liquidating value of the shares. An inspection of the prospectus issued by this company reveals that it incurred a small loss in 1936, a large loss in 1937, and showed a substantial unrealized loss at the beginning of 1938. The dividends which it declared in 1937 and in 1938 were paid out of capital and, hence, did not constitute income to the shareholders.

Numerous proposals were made at the conference looking toward remedying these conditions.

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COTTON MARKETINGS HIGHEST
IN OCTOBER AND NOVEMBER

More than two-thirds of the cotton sold by farmers during the crop year is marketed before December 1. And most of it is sold in October and November. Records kept by the Bureau of Agricultural Economics show that in the 10 years prior to harvest of the 1937 cotton crop, an average of about 68 percent of the year's sales was made by cotton farmers before December 1. An additional 11 percent was marketed in December, and the remaining 21 percent after January 1.

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
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U. S. Department of Agriculture

RHODE ISLAND PROHIBITS ENTRANCE OF CATTLE WITH BANG'S DISEASE

On and after August 15 all bovine animals more than 6 months of age imported into Rhode Island -- except cattle for immediate slaughter -- must have passed a standard tube agglutination test for Bang's disease, negative in all four dilutions, reports the State Department of Agriculture and Conservation. The test and the veterinarian must be approved by the State veterinarian, or like officer in the State of origin, and acceptable to the Chief of the Division of Animal Industry and Milk Control of the State Department. The test must be reported on the official blank of the State office or laboratory, showing the date of test, eartag or tattoo number of the animal, and the name of the laboratory making the test. Such test must have been made within 30 days of shipment into Rhode Island, and such cattle must not have been exposed to contact with untested or reacting animals within that period.

The regulation does not apply to cattle for immediate slaughter, but all cattle entering the State must be accompanied with a permit to slaughter, which shall record the date, from whom purchased, to whom sold, and the identification, and whenever entering other than by rail shipment; every suspicious or positive animal must be branded with a capital letter "B" approximately 3 inches high.

All animals must originate in clean supervision herds for the eradication of bovine tuberculosis, and must have passed a negative intradermic test within 90 days of shipment into the State, and 1 year if originating in an accredited herd.

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GEORGIA, TEXAS SOON TO HAVE LIVESTOCK MARKET NEWS SERVICE

State marketing officials and representatives of the Extension Service and the Bureau of Agricultural Economics will meet at Thomasville, Ga., August 16, to discuss the service which will be rendered by the livestock market news office, shortly to be opened by the Bureau at that point. James Hartnell, of Washington, D. C., and formerly in charge of the livestock market news office at Baltimore, will take charge of the new office. It is planned to have the service in operation early in September.

The Bureau also has laid plans for a livestock market news office at Houston, Tex., to open early in October. S. L. Byerly, now on the staff of the division's office at Des Moines, Iowa, will be transferred to Houston to take charge of the work there.

Livestock production has expanded in the Southeastern States within recent years and further expansion is indicated, officials of the Bureau of Agricultural Economics say. Interest in improved breeding and feeding methods in the area is also believed to be greater than at any preceding time. Because of this situation, coupled with the fact that there is a lack of timely information in regard to local livestock market conditions, movements, and prices in the Southeast at this time, it is believed that a service such as the Thomasville and Houston offices will render will prove of great economic value to livestock producers and others through the immediate and surrounding areas.

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ILLINOIS LEADS NATION IN FARMER CO-OP MEMBERSHIP

Illinois ranks first among all States in membership of farmers' cooperative marketing and purchasing associations, it is revealed in a survey which has just been completed by the College of Agriculture, University of Illinois, in cooperation with the Farm Credit Administration.

A preliminary report of the survey appearing in the current issue of Illinois Farm Economics, a monthly publication of the college, covers 645 of the Illinois cooperatives which have a combined membership of 304,328 and which serve 231,507 patrons.

During the year covered by the study, the figures showed that the cooperatives sold a volume of farm products amounting to \$167,932,136 and handled farm supplies amounting to \$23,135,216. Largest single classification of cooperatives listed in the report was grain marketing associations which when limited to local farmers' elevators numbered 377 associations. Eight of the grain associations were organized prior to 1900, but the most active period of organization was from 1915 to 1919 when 106 of the 377 companies were chartered.

The Farm Credit Administration recently announced that following Illinois, Minnesota, New York, Iowa and Wisconsin, head the co-op membership list.

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EASTERN CO-OP WHOLESALE TRIPLES WAREHOUSE SPACE

Eastern Cooperative Wholesale, owned and operated by retail cooperatives from Maine to Washington, D. C., announced August 1 that it has leased a new warehouse which will give it three times the floor space it has in its present quarters. It will move to its new home at 135 Kent Avenue, Brooklyn, New York, about September 1.

The move was necessary to provide adequate facilities to meet the demands of the rapidly growing cooperative business. L. E. Woodcock, manager of the Co-op Wholesale, declared. Cooperatives in Harrisburg, Pa., Washington, D. C., Vineland, N. J., Weymouth, Mass., Baltimore, Md., and Philadelphia were admitted to membership in the wholesale during the last month and business for the first 6 months of this year was 38 percent greater than in the same period last year. Business for the first 6 months of the last 3 years was as follows, Mr. Woodcock reported: 1936, \$130,-906.09; 1937, \$247,189.54; 1938, \$341,853.27.

RENVILLE FIRST MINNESOTA COUNTY
TO MAKE RECORD DAIRY SIGN-UP

First in getting a 100 percent sign-up of all its dairy products organizations to cooperate with the dairy advertising program being conducted in Minnesota is the record achieved by Renville County.

W. H. Olson, University Farm, St. Paul, manager of the Minnesota Dairy Industry Committee which is promoting the program, says that all the county's 11 dairy plants agreed to contribute funds to a national dairy advertising program at the rate of 50 per 1,000 pounds of butterfat handled.

The advertising program's aims, he said, are to point out the important food elements in all dairy products and stress their value in developing a normal healthy body. Before any one contract becomes effective and the program becomes national in aspect, however, 75 percent of the 250 million pounds of butterfat processed annually in Minnesota must be contracted, and sufficient support must be obtained from other States. In late July approximately 300 contracts had been signed with the dairy industry committee by dairy products organizations in Minnesota.

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WAXING PRESERVES VEGETABLES
FOR STORING AND SHIPPING

Many inquiries concerning the waxing of vegetables have been received by the New York State College of Agriculture during the past year. Commercial growers and shippers, the College reports, want to know how much longer vegetables will keep when waxed, how much waxing costs, how wax is applied, and the equipment necessary.

One method developed at Cornell is simple, using a cold wax emulsion. The emulsions can be applied by dipping to carrots, beets, squash, pumpkins, cucumbers, tomatoes, eggplants, peppers, and many other vegetables. On drying, a very thin film, one ten-thousandth of an inch thick, is left on the vegetable. Thin as this film is, it effectively reduces water losses and shriveling. It is absolutely harmless, has no taste, and can be removed by washing with warm water, which is recommended for all vegetables, waxed or unwaxed, before they are eaten.

The experiments have shown that waxed vegetables can be kept from two to three times as long as the unwaxed ones before they show signs of wilting or breakdown. The cost of materials for waxing is said to be small. Interested growers and shippers, however, are urged by the College to make preliminary tests with a single gallon of wax and a wire basket for dipping before they go ahead on a larger scale.

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GRADING WOOL, Farmers' Bulletin No. 1805, by James W. Christie, specialist in marketing wool of the Bureau of Agricultural Economics, has just come from the press. This bulletin contains information for growers who are interested in improving their position when they are ready to market their wool.

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STATISTICAL INFORMATION PERTAINING TO THE MARKETING OF AGRICULTURAL PRODUCTS IN CONNECTICUT, is the title of a 52-page mimeographed publication recently released by the Bureau of Markets of Connecticut State Department of Agriculture. The compilation was made by Frances T. Setsky.

OREGON SELECTS J. D. MICKLE
AS DIRECTOR OF AGRICULTURE

J. D. Mickle became Director of Agriculture of Oregon August 1, succeeding S. T. White. On that date Mr. White took over the position of State Coordinator of the Soil Conservation Service, U. S. Department of Agriculture, with headquarters at Corvallis, Oreg.

Mr. Mickle has served Oregon as Foods and Dairies Commissioner, and later as Chief of the State Department's Division of Foods and Dairies, for more than 25 years.

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SURPLUS DRY SKIM MILK
TO BE PURCHASED BY FSCC

The Federal Surplus Commodities Corporation has been authorized to buy up to 30 million pounds of dry skim milk during the current fiscal year, the Agricultural Adjustment Administration announced last week.

Similar to dry skim milk purchase programs conducted by the Corporation during the fiscal year ended June 30, the plan is designed primarily to assist in the removal of surplus milk from normal trade channels and to increase the use of milk by distribution of the product to needy families through State relief agencies. Distribution of the dry skim milk, together with surplus butter, gives families on relief the equivalent of whole milk in food values. Dry skim milk constitutes one of the major outlets for producers' skim milk. Purchases of dry skim milk may be made by the Corporation at any time during the year, in order to assist producers at times when burdensome surpluses are depressing the industry.

The dry skim milk purchase program is a part of the surplus dairy products purchase program which will be undertaken during the 1938-39 fiscal year in order to remove part of the surpluses of various manufactured dairy products, such as butter, cheese, evaporated milk, and dry skim milk, from regular trade channels, and to bring about greater use of large surpluses of fluid milk.

During the past fiscal year the Corporation bought about 21,520,000 pounds of dry skim milk from most sections of the United States.

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LARGEST LAMB CROP
ON RECORD REPORTED

The largest lamb crop on record was reported by the Bureau of Agricultural Economics in a report of July 27. The crop was estimated at 32,221,000 head. This year's production is about 5 percent larger than in 1937, about 2 million head or nearly 7 percent greater than the 5-year (1933-37) average, and 606,000 head larger than the previous record crop of 1931.

The increase from last year was a result of the larger crop in the western sheep States, since the crop in the native sheep States was a little smaller than that of last year. The large crop this year was also a result, largely, of the high average number of lambs saved per 100 ewes (the percentage of lamb crop), although there was a small increase in the number of breeding ewes. The estimated percentage lamb crop this year of 88.7 was the largest in the 15 years for which such estimates have been made.

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STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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GEORGIA COMPLAINS

IT IS "DUMPING" GROUND

The Georgia Department of Agriculture complains that Georgia is a "dumping ground" for out-of-State farm products, urges "something be done" to correct this situation. Georgia, it is stated, "is now practically the only southern state in which the selling or peddling by local or out-of-the-state trucks is absolutely free."

Last year a bill was introduced into the Georgia legislature providing for a license tax of \$50 to apply to all wholesale dealers in perishable farm commodities. Farmers, growers or cooperative associations of farmers in Georgia were to be exempt from this tax where they sold produce grown by themselves. The proceeds were to be used by the Commissioner of Agriculture for the enforcement of the law and for other purposes connected with the marketing of farm produce. The bill was defeated "largely because of opposition by the Peach Growers Exchange."

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NEW MEXICO PLANNING

CATTLE DEMONSTRATIONS

The New Mexico Extension Service recently announced that plans are being made in cooperation with the Bureau of Agricultural Economics for a series of cattle grading demonstrations to be held over the State in September. It is planned to hold 12 demonstrations at points accessible to as many livestock men as possible. At each demonstration a carlot of calves, gathered from surrounding territory, will be graded, then shipped to Kansas City, Missouri, where they will be sold by grade on the open market.

The tentative program includes a talk on the outlook of the livestock industry and grading of the calves by a BAE representative.

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IOWA SEES IMPROVED

TURKEY INCOME PROSPECTS

Viewing the 1938 turkey situation, the Iowa Extension Service recently said that "Iowa turkey producers may make more money this fall than they did a year ago." Four favorable factors were listed: (1) the national turkey crop is smaller than last year, although Iowa's may be somewhat larger; (2) feed prices during the entire growing season will be more favorable than in 1937; (3) cold storage holdings are

little more than half as large as in 1937; (4) turkey prices are now above those of a year ago and may reasonably be expected to hold up until the heavy fall movement.

The Service added that "consumer demand for turkeys is expected to improve some in the next few months, but probably will not be quite as good as a year ago when consumer incomes were much higher than now."

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ECONOMIST DISCUSSES TRADE BARRIERS IN DAIRY INDUSTRY

George R. Taylor of the Bureau of Agricultural Economics discusses the problem of trade barriers in the dairy industry, in the August issue of the Bureau's monthly publication "The Agricultural Situation".

He says that "in the dairy industry are striking examples of trade barriers against the interstate movement of farm products", that "in some cases, barriers have been erected frankly to exclude or to hamper the sale of out-of-State dairy products, in others the barriers are disguised as sanitary laws and regulations."

Taylor says that "a major step forward would be accomplished if States and municipalities would recognize and clearly state the purpose of their regulations. If after open consideration the decision is made to protect State dairy interests, then the question may well be faced as to whether this should be done through health regulations or by more direct means."

Other articles featured in the August issue include "The Cost of Country Medical Service" by O. C. Stine, "The Apple Export Situation" by A. C. Edwards, "Distribution of Hog Slaughter" by C. L. Harlan, "Wheat Loan Program Under Way" by J. W. Tapp, and "Problem of Large Rice Supplies" by M. Clough.

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CARELESS HANDLING COSTLY TO SWEETPOTATO GROWERS

The Louisiana Extension Service declared this week that "Louisiana farmers lost at least 10 percent of their \$8,000,000 sweetpotato crop in 1937 due to careless handling and improper curing and storing of this most important food and feed crop." Producers were urged to repair, remodel, or build a farm storage house.

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IOWA FORECASTS DECLINE IN NUMBER OF STOCK AUCTIONS

Community livestock auctions, which "mushroomed" in Iowa during the depression and drought years are expected to decline in numbers during the next few years, it was reported this week by S. H. Thompson, extension agricultural economist at Iowa State College. At "high point" there were about 200 active auctions.

Thompson says "the livestock auction business was 'overbuilt' during the depression and drought years, and now increasing competition is eliminating less efficiently operated auctions and those located in areas unable to support them."

NEW YORK ORGANIZING
LAND USE COMMITTEES

Formation of a county agricultural land use committee in every agricultural county in New York State was authorized this week by L. R. Simons, extension director at the New York State college of agriculture. Work of the committees, it was reported, will be to "get the facts on land use in the counties, to consider the programs of all agencies now at work in the attempt to bring about better unity, and to develop a specific land use policy for the county." The present course of action, it was stated, "was agreed upon at a recent conference of representatives of the Association of Land-Grant Colleges and Universities and the United States Department of Agriculture."

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MASSACHUSETTS REVISES
EGG SALES REQUIREMENTS

The Massachusetts legislature was reported recently as having passed a revision of the general laws relating to the sale of eggs making mandatory, with certain exceptions, the marking of the carton or other container used with size designations as established in the measure. Four classifications are provided: "large", "medium", "Pullet", and "Pee-wee." The new regulations become effective September 7. They apply to sale in retail channels only. Wholesale trading is exempted from the provisions excepting when eggs are packed in cartons or other containers for resale at retail. Unsorted eggs also are eliminated when marked "not sized."

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NEW FOOD DRUG ACT
EXTENDS PROTECTION

Food sections of the Federal Food, Drug and Cosmetic Act which went on the statute books on June 25 last contain new measures of protection for producers and consumers. Any food injurious to health is henceforth barred from interstate trade. Poisonous and deleterious substances may not be added to food, except where they are indispensable or unavoidable in production. In the latter event, the Department of Agriculture will define the maximum quantities of poisonous substances which may be left in food with safety. The Secretary of Agriculture is given authority to promulgate (after public hearings) maximum amounts or "tolerances" for spray residues and other poisons in foods, and authority to promulgate standards of identity for foods (other than dried fruits, fresh or dried vegetables).

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IMPROVEMENT IN FARM
PRODUCTS DEMAND INDICATED

The Bureau of Agricultural Economics said this week that "a moderate improvement in consumer buying power and demand for farm products is in prospect for the fall and winter months." Favorable factors in the situation were listed: (1) the gradual increase in Government expenditures as new construction projects get under way; (2) increased needs for durable consumers' and producers' goods; (3) a favorable

residential building situation; (4) the relatively small amount of financial deflation which occurred during the recession as compared with other similar periods. The Bureau pointed out, however, that increased demand for most farm products must await actual improvement in consumer incomes.

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A MIMEOGRAPHED PUBLICATION, "Selling Illinois Livestock Through Auctions", is obtainable from the College of Agriculture, University of Illinois. It lists some of the basic sales problems.

THE UNITED STATES DEPARTMENT OF AGRICULTURE announced this week the development of a process for manufacturing from casein a synthetic fiber having the appearance of wool. The process is similar to that used in making viscose rayon from cellulose.

THE MISSISSIPPI DEPARTMENT OF AGRICULTURE reported that millions of pounds of seeds of winter legumes for planting within the next few weeks are being assembled in warehouses and distributed to farmers in anticipation of another record-breaking acreage of plants which prevent soil erosion and build soil fertility. Ten years or so ago, it was stated, the planting of 100,000 pounds of seed of winter legumes in a single season was marked as indicative of signal progress.

SECRETARY WALLACE outlined this week the 4 major farm-producing areas in which the 4 research laboratories authorized by the Agricultural Adjustment Act of 1938 will be established. He named the surplus farm commodities on which the scientists will work during the initial program. Details of the program are obtainable from the United States Department of Agriculture.

THE CONNECTICUT DEPARTMENT OF AGRICULTURE recently issued a mimeographed volume of "statistical information pertaining to the marketing of agricultural products in Connecticut - 1937". Products include fruits, livestock, potatoes, poultry, eggs, tobacco and vegetables. Figures cover production and marketing quantities and values.

THE UNITED STATES DEPARTMENT OF AGRICULTURE reports that potato chip manufacturers and the restaurant trade are demanding "60°" potatoes for an exacting public, since only potatoes stored at this temperature have the best cooking quality. It is stated that "because of the lack of potatoes suitable for chips, some large manufacturers have been compelled to install their own storage houses."

THE MARYLAND EXTENSION SERVICE has available a new bulletin "Production and Certification of Seed Potatoes." It contains a brief history of the work in Maryland, the regulations for certification, the standards required in order to be eligible, and suggestions on the various factors concerned in production.

THE APPOINTMENT of Dr. Frank L. Eversull as president of the North Dakota Agricultural College was announced this week by the North Dakota State Board of Administration. President Eversull is a native of Ohio, since 1934 was head of Huron College in South Dakota.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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PENNSYLVANIA WANTS APPLE MARKETING LAW

The Pennsylvania Department of Agriculture announced this week that legislation making it mandatory to mark the grade and other information on closed packages of apples will be introduced in the 1939 session of the Pennsylvania General Assembly by fruit growers.

Potato growers obtained the protection of such a law at the 1937 session, the Department said, "following a precedent established by the grape growers of the State in 1929." Reporting a recent meeting at Harrisburg, the Department said that "the commercial apple growers and representatives of several large distribution agencies unanimously agreed that the sale of low-grade apples would be discouraged in Pennsylvania in favor of high quality apples produced in Keystone State orchards if the consumer could ascertain with confidence what he was buying from the label on the outside of closed containers."

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CALIFORNIA REVIEWS MILK REGULATIONS

Public regulation of the "vexing market milk question" in California, with its history of "milk wars", economic collapse and kindred issues, is reviewed in a publication "Public Regulation of Milk Marketing in California" issued this week by the University of California Press. Dr. J. M. Tinley, associate professor of agricultural economics, is the author.

"In milk marketing, the depression collapse has been both more severe and more prolonged than in other industries," it is stated. "The efforts of State and Federal agencies since 1933 to restore some semblance of stability to California's milk markets have been only partly successful. Moreover, if these efforts should be discontinued, the milk marketing structures of most of the larger cities in California would probably collapse immediately.

"There appears to be much justification for public control over milk marketing," Dr. Tinley concludes.

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POULTRYMEN CONCERNED WITH ECONOMIC PROBLEMS

Dr. F. B. Hutt, head of the poultry department at Cornell University, stated recently that the "aims of poultrymen have probably changed more in the past 30 years than in all previous history since the fowl was domesticated", that "poultrymen now are concerned chiefly with

characters of economic importance, and particularly the number of eggs, size of eggs, and viability of fowls. More attention will be paid in the next three decades," he declared, "to extending the productive life of the fowl beyond the first laying year which now ends the usefulness of most birds. Poultrymen will continue to consider breed standards, size of bird, and type of bird required for market poultry. Probably more attention is being paid now to breeding good market birds than in the first 35 years of this century."

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CASH FARM INCOME

ESTIMATED AT \$7,500,000,000

The Bureau of Agricultural Economics estimated this week that farmers' cash income from products marketed in 1938 and from Government payments probably will total \$7,500,000,000. This compares with \$8,600,000,000 in 1937 and \$7,944,000,000 in 1936.

Preliminary estimates, made annually at this period of the year, are based on indications as to probable sales and prices of farm products during the remainder of the calendar year, plus receipts from sales during the first 7 months of the year, plus prospective Government payments for the full year.

Dr. A. G. Black, Chief of the Bureau, said that "the decline in farm income this year follows 5 successive years in which farmers' cash income has increased over the previous year. The smaller income this year is attributed largely to the marked decline in industrial activity during the past year, and to the lower level of the income of urban consumers which has greatly reduced the demand for farm products."

In its estimates for 1938, the Bureau has taken into account the prospects for a moderate improvement in industrial activity and in incomes of urban consumers during the remainder of 1938. These factors, Dr. Black said, "are likely to be accompanied by a gradual improvement in farm income as the year progresses, and the declines in income from a year ago are likely to become less pronounced."

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"HOG ROUND" COTTON

BUYING IS CENSURED

Clement E. Trout, head of the department of publications at Oklahoma Agricultural and Mechanical College, reported this week that "hog round" cotton buying came in for strongest censure when the College held its annual July cotton school. Improved marketing methods were held out to the cotton classing students, experts, and ginners who assembled for the 2-weeks course. Grading and staple work preparatory to the Federal examination for cotton classers was again included in the annual school. Advantages of the one-variety cotton community were stressed for the cotton men, many of whom returned in August for the Annual Farmers' Week at which P. K. Norris of the Bureau of Agricultural Economics at Washington discussed American cotton's role in foreign markets.

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IOWA EXTENSION SERVICE has available for distribution a new circular "The Storage of Onions".

FEDERAL INSPECTORSSEIZE ADULTERATED BUTTER

Ninety tons of butter were seized at Chicago this week by Federal Food and Drug Administration inspectors, when samples were found either adulterated with mineral oil or short in butterfat. Officials said that this seizure tightens the chain of evidence about a practice which was suspected a year ago. At that time there were rumors of mineral oil being added to cream, before it was delivered to the butter manufacturer, to "increase the Babcock test". In July an inspector took samples of cream in the plant of an Oklahoma butter maker (the cream had come from a shipper in Missouri), and food chemists found mineral oil in the cream. Federal officials then began examining interstate shipments of butter from this area that might contain mineral oil. Interstate shipment of the adulterated cream from Missouri into Oklahoma is a violation of the Federal law. The cream shipper has been cited to a hearing.

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FRUIT GROWERS REPORTEDINTERESTED IN DWARF TREES

The New York State Agricultural Experiment Station reported this week, "widespread interest among amateur and large-scale fruit growers in the tests of dwarf, semi-dwarf, and slightly dwarfed fruit trees on the grounds of the Experiment Station at Geneva."

It was announced that a new feature of the tests is the use of certain Old World rootstocks for dwarfing purposes, especially for apples. This is said to be giving results quite different from those obtained in similar tests with other rootstocks carried on at the Station 40 years ago. As a result of these earlier tests, the use of dwarf trees in commercial plantings was discouraged and the trees generally were regarded as of value only as novelties for the amateur gardener.

"Recently," it was announced, "professional fruit growers have come to realize that smaller apple trees have many advantages under modern methods of orchard management", since the trees "lend themselves to greater ease of pruning, spraying, and harvesting."

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SUMMER FRUIT PRICESARE RELATIVELY LOW

Fruit prices are at lower levels this summer than supply conditions alone would indicate, the Bureau of Agricultural Economics says in its August report "The Fruit Situation". The relatively low prices of the summer fruits are attributed mainly to reduced consumer purchasing power. But increased industrial activity is expected, the Bureau says, to bring some improvement in consumer incomes during the fall and winter.

"Despite much smaller supplies of apples than in 1937, prices of most summer apples are not greatly above last year's prices. The pear crop is only slightly larger than the 1937 record high, but prices are considerably below those of last season. The California grape crop is slightly smaller than that of last year, but prices of early table

grapes are materially lower than prices received last summer. Prices of oranges, lemons, grapefruit and peaches are also comparatively low, but variations in supplies of these fruits make a direct comparison with last year difficult."

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LARGE GRAIN, HAY SUPPLIES IN PROSPECT

The Bureau of Agricultural Economics says in its August "Feed Grain Situation and Outlook" report that the supply of feed grains per grain-consuming animal this season is expected to be the largest in 12 years. The supply of the 4 major feed grains - corn, oats, barley and grain sorghums - was indicated at 111 million tons, or 7 million more than a year ago when carry-overs were extremely small.

Prospects for a somewhat better demand for feed grains during the coming fall and winter months than in the same months of 1937-38 were indicated. The livestock population is increasing, and a moderate improvement in consumer incomes and demand is forecast for the remainder of 1938 and early 1939. It is believed that feeding ratios will continue favorable to livestock producers during this period.

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"NAKED" CHICKS A "FAIR" FEATURE

A feature at the New York State Fair at Syracuse this week is a number of "naked" chicks, "destined by nature to be without feathers and never to fly", exhibited by the poultry department at Cornell University. It is said that at maturity "they look a great deal like any other fowl, except that they lack wing feathers or tail feathers. The only economic advantage the birds appear to have is their inability to fly, and hence, are easier to handle. They can also be kept in the yard with only a 12-inch fence. Disadvantages are the need for special low roosts, the need for more heat for a longer time as chicks, and the need for protection, as adults, in cold weather."

The College says the exhibit is intended to call attention to the importance of inheritance in hatchability, production, and long life of birds, and not merely to present an "oddity".

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COTTON RESEARCH AND MARKETING SPECIALISTS will be interested in the following mimeographed papers obtainable from the Bureau of Agricultural Economics: "Cotton Harvesting and Handling", by Francis L. Gerdes and William J. Martin of the Bureau, and Charles A. Bennett of the Bureau of Agricultural Engineering; "American Cotton in Foreign Markets", an address by P. K. Norris of the Bureau; "Quality of Cotton Linters Produced in the United States, Season 1933-34 -- 1936-37" by Victor R. Fuchs; and "The Tariff on Long-Staple Cotton and Its Effects" by C. F. Wells and Maurice R. Cooper.

OTHER PUBLICATIONS obtainable from the Bureau of Agricultural Economics are "Information Concerning the Land Utilization Program"; "Recent Developments in Farm Management Research" by Neil W. Johnson; and "Range Lands of Northeastern Nevada - Their Proper and Profitable Use."

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

September 7, 1938

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Vol. 18, Nos. 35 and 36

U. S. Department of Agriculture

MISSISSIPPI LOWERS
INSPECTION COSTS

Shipping point inspection and grade certification of sweetpotatoes "at a cost no longer prohibitive," was announced this week by Commissioner J. C. Holton of the Mississippi Department of Agriculture.

The inspection service, regarded as a virtual necessity for the marketing of fruits and vegetables, has not heretofore been available for sweetpotatoes except at prohibitive cost, the Commissioner said. By act of the Mississippi legislature of 1938 an appropriation was made so that shippers outside of the present commercial district may secure the inspection service at reasonable cost. This service is already in effect in the hay producing districts, and is now available to growers and shippers of sweetpotatoes at a maximum cost of \$4 per carload, and with downward gradation in event 10 cars or more are shipped weekly.

The Commissioner reported as to other commodities that to date this season 87 percent of the cabbage shipped has been inspected, 95 percent of the green peas, 98 percent of the Irish potatoes, and 100 percent of the tomatoes. The inspection service on sweetpotatoes is designed to increase commercial sales of this product.

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RHODE ISLAND CHANGESAPPLE GRADE REQUIREMENTS

The Rhode Island Department of Agriculture has reported that a few weeks ago a ruling was issued removing color requirements for all grades of Gravenstein apples with the exception of Rhode Island Extra Fancy.

The Department says that "this step was taken to bring the Rhode Island apple grades into line with the change in the demands of dealers, retail buyers and consumers, thus opening a wider market for the Rhode Island Gravenstein crop, and also permitting the packaging of a larger percent of the Gravenstein crop under the grade of Rhode Island Fancy. The requirement of 25 percent color for the Extra Grade was retained to enable the more particular grower to continue packing a grade of apples which, by being more attractive to the buyer, will return premium prices."

The Department continues: "A number of our neighboring States had previously removed all color requirements for this variety of apples. In the natural course of marketing, many of the apples from these nearby States are sold on the Rhode Island markets and conversely, many of the Rhode Island Gravenstein apples are sold on out-of-state markets. This condition made it necessary for Rhode Island growers to compete with growers of other States who were marketing a far larger portion of their

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Gravenstein crop as fancy, and could, therefore, afford to receive lower prices. Our apples may now be packed and marketed on a basis comparable to those packed in other States, and will be equally as attractive as other out-of-State apples of this grade. At least one-third more of our Gravenstein crop will now be within the requisites of the fancy grade."

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NORTH CAROLINA URGES GRADING OF TOBACCO

The North Carolina Extension Service recently told the tobacco growers in that State that "a little time spent in sorting tobacco carefully has been known to earn a farmer more money than all the work he spent in the field growing and harvesting it."

In the warehouses, the Service said, it is a common sight to see a 'pin-hooker' buy a few baskets of mixed leaf from the growers, grade it carefully, and sell it to the buyers for considerably more than he paid the farmer for the same tobacco. The farmer who grows the weed could get just as much for it as the 'pin-hooker' if he brings it to the warehouse carefully sorted and packed attractively in the baskets.

"Buyers do not like baskets of mixed leaf, and they won't bid very much for them," the Service explained. "But after the tobacco has been resorted and packed in lots according to body, quality, color, and size of leaves, buyers will bid the top price for the particular leaf in each basket. *** Tobacco of low grade will often bring a fair price when it is properly prepared, but even the best grade on the market won't bring top prices if it is mixed with inferior leaf."

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NEW YORK TO ANNOUNCE NEW FRUITS THIS MONTH

Fourteen new varieties of fruits for which names were recently selected and which have been under test on the grounds of the New York Experiment Station at Geneva for the past several years will be officially introduced to the horticultural world on September 15. On that day the New York Fruit Testing Association will hold its twentieth annual meeting at the Station.

The fruits to be introduced to growers include 7 apples, 4 grapes and 1 each of pear, cherry, and strawberry. Planting stocks of all these fruits are available at nominal prices through the Fruit Testing Association. Specimens of the cherry and strawberry have been preserved by freezing for exhibition on September 15.

The Association is a cooperative organization designed to propagate and distribute stocks of new fruits originated on the Experiment Station grounds. Membership is open to any fruit grower interested in new varieties either as a professional or an amateur. The Association has members in every State and in many foreign countries.

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"GRADING WOOL" is the title of a farmers' Bulletin now obtainable from the United States Department of Agriculture. Chapters deal with the wool-growing industry, imports of wool, quality of wool, grades, classification of wool by regions, and official standards.

LIVESTOCK AUCTIONSSUBJECT OF IOWA REPORT

"Community Livestock Auctions in Iowa" is the title of Iowa Agricultural Experiment Station Bulletin 376, scheduled for release early this month. The Bulletin was prepared as a cooperative enterprise between the Iowa State College and the United States Bureau of Agricultural Economics. Co-authors are Sam H. Thompson of the Iowa College and Knute Bjorka of the Federal Bureau. The Farm Credit Administration assisted in collecting some of the factual data.

The purposes of the study were: (1) to trace the development of community livestock auctions in Iowa; (2) to ascertain the economic conditions which led to their establishment; (3) to ascertain their present status with respect to numbers, geographical location, relation to other marketing agencies, and the volume and character of the business handled; (4) to determine the nature of their organization; (5) to describe the method of operation; and (6) to point out some of the possibilities and some of the limitations of auctions as marketing agencies for livestock.

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NEW MEXICO ARRANGES FORLIVESTOCK GRADING MEETINGS

The New Mexico Extension Service reported this week that final arrangements have been made for the 14th series of livestock grading demonstrations to be held September 8-17, in cooperation with the New Mexico Cattle Growers' Association. Speakers will discuss the 1939 range program, problems in advertising meat and meat products, and salesmanship in selling livestock.

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W. G. MEAL IS NEW HEADOF FRUITS, VEGETABLES DIVISION

The appointment of William G. Meal to head the Division of Fruits and Vegetables of the Bureau of Agricultural Economics was announced on August 30 by Dr. A. G. Black, Chief of Bureau. Mr. Meal fills the vacancy caused by the retirement of Wells A. Sherman.

For the last 3 years, Mr. Meal has been Assistant Chief of the General Crops Section in the Agricultural Adjustment Administration. Theretofore, for 2 years, he had been in charge of the Section's work relating to fresh fruits and vegetables. He will assume his duties in the Bureau of Agricultural Economics on September 16.

Mr. Meal was born at Lockport, New York, on April 16, 1900. He received his undergraduate and graduate training in New York State. After being graduated from Cornell University he was employed first as Junior Extension Agent in Tompkins County, New York, then as County Agricultural Agent in Schenectady County. During the next 4 years he was an instructor in fruit and vegetable marketing at Cornell. He entered Government service in September 1929 in the Division of Cooperative Marketing of the Bureau of Agricultural Economics. From 1931 through 1932 he was extension economist in marketing with the New Jersey Agricultural Extension Service.

TRI-STATE LIVESTOCKMARKETING SCHOOL TO BE HELD

The Minnesota Extension Division announced this week that nearly 1,000 students of vocational agriculture in Minnesota, Wisconsin and Iowa are expected to consign approximately 1,700 head of hogs, sheep and cattle to the first annual Northwest Tri-State Future Farmers and Vocational Agriculture Students Livestock Marketing School to be held at South St. Paul, September 22 and 23.

All marketing processes - handling, grading, weighing and selling of livestock - will be demonstrated. All livestock will be graded the first day of the school by committees of expert graders from South St. Paul commission firms. The stock will be weighed and divided into lots, and sold the second day. W. O. Fraser of the Bureau of Agricultural Economics at Washington is scheduled to head the grading activities.

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PROGRESS REPORT ONPRODUCE INSPECTIONS

The Bureau of Agricultural Economics reported this week a steady growth in shipping-point inspection of fruits and vegetables with 450,065 carlots inspected for grade certification last year. Only 72,000 carlots were inspected in 1923, the first year the service was offered by the Bureau.

More potatoes are certified as to grade than any other item of produce, it was stated. Under marketing agreements covering most of the important late-potato-producing areas from Michigan to Idaho last year, shipping-point inspection was required for all interstate shipments.

Inspection of potato shipments from Alabama, Mississippi, Louisiana, the coastal region of Texas, and the two western counties of Florida, based on prescribed minimum standards, was required under potato agreements effective in these Gulf States.

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NEW JERSEY REPORTSWORLD-WIDE APPLE SALES

The New Jersey Department of Agriculture reports that at present, approximately 40,000 bushels of New Jersey apples weekly are leaving the ports of Philadelphia and New York, and occasionally Camden, for distant points such as Palestine, the Bahamas, Porto Rico, Brazil, Central America and Europe.

Varieties reported as comprising most of the export shipments are Grimes Golden, Starking and first pickings of Red Delicious. The apples are packed in tub bushels, standard boxes and, in a few instances, barrel containers are specified.

The Department says that with the short crop in Europe and poor prospects in South American countries, the demand is expected to continue through the winter season. Besides qualifying for the official grade standards, every export shipment must be certified as having met

the requirements of the Export Apple and Pear Act and must carry a sanitary inspection certificate indicating that the fruit was examined for freedom from diseases and insects.

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ECONOMIST TELLS WHY

RAILROADS LOSE BUSINESS

Rail shipments of fresh fruits and vegetables have declined by approximately 200,000 carloads during the last 7 years - from 1 million carloads in 1931 to 800,000 in 1937. Since total production during this period increased about 15 percent, if the railroads had merely held their own relative to other methods of transportation they would have hauled 1,150,000 carloads in 1937 instead of only 800,000, says W. C. Crow in an article "Why Railroads Lose Business" in the September issue of "The Agricultural Situation", monthly publication of the Bureau of Agricultural Economics.

Mr. Crow attributes this loss of business (which has been won by the motor trucks), in part, to outmoded terminal market facilities. He says that "railroads have given lip service to their desire to retain the fruit and vegetable business***but often have overlooked opportunities for constructive action, and have sometimes taken action detrimental to their own cause."

Other articles in the September issue are "Foreign Governments Aid Wheat Growers" by L. J. Schaben, "Helping Tenants Become Owners" by C. W. Baldwin, "Grade and Label Barriers" by E. L. Burtis, "Exports Up, Imports Down" by R. B. Schwenger, "Electricity Rates on the Farm" by O. C. Stine, "Retail Food Campaigns Cut Margins" by A. C. Hoffman, and "Machine-Made Potatoes" by E. Rauchenstein.

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VIOLATION COMMODITY

EXCHANGE ACT IS CHARGED

The Commodity Exchange Administration recently announced that a complaint and notice of hearing has been served on S. W. Gondoll of Minneapolis, Minnesota and 8 affiliated organizations, alleging that Gondoll through the means of concerns controlled by him, had violated the Commodity Exchange Act by failing to report and reporting falsely transactions and open positions in commodities, and by operating as a futures commission merchant without being registered with the Commodity Exchange Administration. A hearing was scheduled for September 14, at Minneapolis. Under the provisions of the Commodity Exchange Act it is a penal offense for persons or firms to fail to report trading operations daily to the Administration, if these operations exceed certain specified limits.

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MILK LAWS SUMMARIZED

BY NEW ENGLAND COUNCIL

The New England Research Council on Marketing and Food Supply recently issued a publication entitled "Laws and Regulations Governing the Production of Grade B Milk in New England" by R. G. Bressler, Jr. The Council is composed of New England research agencies and the United States Department of Agriculture. Contributing organizations in the

preparation of the report included New England Experiment Stations and the Bureau of Agricultural Economics.

Mr. Bressler says that the report is "an effort to summarize the provisions of the laws and regulations that were in effect in 1936. The study is limited to a consideration of the provisions that apply directly to the producers of Grade B milk, and covers the New England States and the towns and cities therein that have populations of 1,000 or more. No attempt is made to judge the effectiveness of the measures in causing improvements in the quality of milk, nor the extent to which it is the public interest to improve quality. The laws and regulations covered by this summary pertain to the registration and inspection of the producer, the health and cleanliness of his cattle, the construction and condition of his stables and milk rooms, the methods he uses in handling the milk, the health of the people that handle the milk, and the quality of the milk." Copies are obtainable from the Council at Boston, Mass.

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CALIFORNIA TO CONTINUE

MARKET MILK SURVEYS

The California College of Agriculture recently announced that it will continue for a second year its survey into market milk resale conditions in California, provided by the State Legislature to enable the California Director of Agriculture to set equitable minimum charges to market milk consumers.

The College said that in addition to its inquiry into producer costs and working conditions, the survey is making a thorough investigation of the store costs of handling milk in various areas.

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CROP PROSPECTS DECLINE

SLIGHTLY IN AUGUST

The Crop Reporting Board said today (September 9) that crop prospects in the United States declined about 2 percent during August. Hot weather, lack of rainfall over several extensive areas, heavy infestation of grasshoppers in the Northern Plains area, and other local factors combined to cause a decrease of almost 112,000,000 bushels or more than 4 percent in the indicated production of corn; a decrease of 17,000,000 bushels, or 14 percent, in prospects for grain sorghums; a decrease of 16,000,000 bushels or 6 percent, in spring wheat; and smaller decreases of 3 percent or less in the production indications for oats, cotton, buckwheat, flaxseed, potatoes, sweetpotatoes, tobacco, wild hay, sugar beets, and apples. Small increases of 1 to 2 percent were indicated for barley, rice, tame hay, and grapes.

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"BRAN PRICES PAID BY FARMERS 1910-1937" is the title of a report obtainable from the Bureau of Agricultural Economics. A revised edition of Farmers' Bulletin 1,423, entitled "Preparation of Cabbage for Market" also is obtainable.

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STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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THE CONSUMERS' COUNSEL LOOKS AT THE MARKETS

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The "tortuous" routes and the excessive costs of distribution of fresh fruits and vegetables in city wholesale markets are subjects of a series of articles being published in "Consumers' Guide" by the Consumers' Counsel Division of the Agricultural Adjustment Administration. One of the series (in the August issue) deals with the situation in New York City. It is titled "The Battle of the Markets".

Produce is followed through the congested market districts, some figures are cited showing the costs of handling and re-handling the fresh foods. Findings of the Federal Trade Commission regarding "monopolistic and racketeering practices" are quoted.

The article states: "No one can dive into the confusion of wholesale produce markets and come up with anywhere near a close estimate of how much more present marketing facilities and so-called system cost the consumer than they should. But one study indicates that if two New York terminals were combined the saving in rent alone would amount to \$3 a car. Reductions on handling costs would bring this saving to \$5 a car. When the Commissioner of Markets in New York City followed 6 vegetables in small packages around the city, he learned that handling them cost 17 to 27 cents in terminal transportation charges alone. He estimated that savings of 2 to 12 cents were possible without any drastic changes at all, simply by eliminating some of the unnecessary hauling."

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ILLINOIS REPORTS ON SHORT TERM CREDIT STUDY

Only about 3 out of every 5 farmers in Illinois make use of short term credit for the production of crops, livestock and livestock, it was reported this week by the Illinois Extension Service reporting the results of a survey in selected areas in Mercer and Iroquois Counties, by the Illinois College of Agriculture and the Farm Credit Administration.

Of the amount of short-term credit used by the 142 farmers furnishing information for the survey, banks provided 53 percent, production credit associations 20 percent, individuals 11 percent, Commodity Credit Corporation corn loans 8 percent, implement companies 4 percent, and others 4 percent. Seventy-two percent of the loans and 87 percent of the amount were secured by chattel mortgages, con-

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ditional sales contracts or storage certificates. Interest rates on bank loans averaged highest, 6.8 percent, as compared with 6.2 percent for individuals, 5 percent for production credit association loans, and 4 percent for corn loans. The Extension Service said that "if the replies of these farmers are typical, Illinois farmers do not feel the need for additional credit."

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BETTER POTATOES; MORE
MONEY, SAYS MINNESOTA

"Better Potatoes - More Money" is the title of a new bulletin of the Minnesota Extension Service, showing that "producers could add materially to their income by giving more attention to quality."

The publication recommends: (1) more careful sorting of potatoes to prevent a few bad ones from lowering the grade on a lot of good ones; (2) better control of potato diseases that cause grade defects; (3) careful digging and handling to avoid cuts and bruises.

The Service reports that the Federal-State Inspection Service examined more than 21,000 cars of Minnesota potatoes during the 5-year period ending in 1936. Many lots grading below U.S. No. 2 actually contained enough good potatoes to grade higher, the Service says, "if only a small percent of the worst potatoes had been sorted out." In nearly every lot which failed to grade U.S. No. 1 or U.S. No. 2, mechanical injury was an important contributing factor.

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MISSOURI DEPARTMENT
OPPOSES TRADE BARRIERS

The Missouri Department of Agriculture recently announced that "in the spirit of fairness and fellowship, the Missouri State Department of Agriculture preaches and practices the old-fashioned doctrine of free and open commerce between the States, without the application of such quarantines as are (in result) State embargoes in favor of business within the State, to the unfair hurt of business in other States."

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NEW YORK REPORTS ON
MOTOR TRUCK MARKETING

The New York Extension Service reports that the motor truck has developed into a major method of transportation for potatoes in western New York, that only a small proportion of the decline in carlot shipments of potatoes from the upstate counties has been due to decreases in potato acreage. Basis for these statements is a study of the situation, recently reported in a bulletin "An Economic Study of the Marketing of Western New York Potatoes by Motor Truck", by P. J. Findlen.

The bulletin states that "during the 1932-33 marketing season, rail shipments of potatoes generally were handled by local carlot dealers, cooperatives, and farmers shipping to city wholesalers. Only about half of the potatoes sold could have been transported to market by rail through these types of buyers. Since carlot shipments of potatoes from Steuben, Allegany, Wyoming, Monroe, and Genessee Counties represent about half

of the potatoes sold in these areas, it is probable that carlot shipments of potatoes from all upstate counties amounted to somewhat less than half of the potatoes sold because of the location of numerous markets within convenient trucking distance from most of the potato-producing areas in upstate New York. Truckers have become the second most important type of buyer for potatoes in western New York. Truckers and local carlot dealers will probably continue to be the principal buyers of western New York potatoes."

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MICHIGAN ANNOUNCES

BEAN GRADING AGREEMENT

Agricultural Commissioner John B. Strange of Michigan is reported to have announced recently that the State and the Michigan Bean Shippers' Association had effected an agreement by which compulsory uniform grading of Michigan pea beans would be established. He said the agreement would effect every producer, handler and consumer of beans by guaranteeing the quality of the Michigan product as it moves to market. Rules were to be promulgated.

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PENNSYLVANIA DEPARTMENT

DEFINES "UNCLASSIFIED"

Secretary J. Hansell French of the Pennsylvania Department of Agriculture defined this week the term "unclassified" as used in marking containers for agricultural products. The official Pennsylvania definition follows:

"When UNCLASSIFIED is a permissible term with respect to agricultural products, it shall be applicable to those products which have not been graded or to those products which fail to meet the minimum requirements of any of the grades already established or which later may be established, but yet are fit for human consumption."

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GOVERNMENT RAISES

SPRAY RESIDUE TOLERANCE

The United States Department of Agriculture announced this week the issuance of a notice by the Secretary of Agriculture that the quantity of lead residue permitted on fruits shipped interstate will be raised to 0.025 grain per pound of fruit. The lead tolerance previously enforced under the Food and Drugs Act was 0.018 grain per pound. The tolerances for arsenic and fluorine residue remain unchanged at 0.01 grain per pound.

The Treasury Department was quoted as having reported to the Department of Agriculture that "should the Department of Agriculture place the tolerance for lead at 0.025 grain per pound, there is nothing in their (the Public Health Service's) findings to date to suggest that this increase above the present tolerance would be sufficient to endanger the health of the consumer."

CONSUMER MEAT DEMAND
EXPECTED TO IMPROVE

The Bureau of Agricultural Economics said this week that the consumer demand for meats is expected to improve somewhat during the fall and winter months. For a longer period, it was stated that "if the present recovery in business activity continues, consumer income and the demand for meats in 1939 probably will be somewhat greater than in 1939."

Discussing the livestock supply situation, the Bureau said that "marketings of grain-fed cattle probably will continue much larger than a year earlier, a fairly large seasonal increase in hog marketings is expected during the next few months, but marketings of cows and heifers this fall are likely to be considerably smaller than a year earlier and probably will decrease seasonally by early winter."

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MISSOURI MOVES FOR
STRICTER EGG LAW ENFORCEMENT

Commissioner Jewell Mayes of the Missouri Department of Agriculture recently announced action "for the more vigorous administration of the egg law" in that State. That all eggs bought in Missouri must meet the reasonable requirements of the egg law, and that a legally worded candling certificate must be placed in each egg-case will be much more generally observed under the requirements of the newly promulgated egg traffic inspection blank now being used for the first time by the Department's inspectors, it was stated. Wholesale egg dealers as well as local egg buyers are being urged to buy all eggs according to law and are required to put a correctly printed egg-candling certificate in each case.

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AGRICULTURAL EXPORTS
TO CANADA NEARLY DOUBLED

In a recent report the Bureau of Agricultural Economics said that agricultural exports to Canada and via Canadian ports in the first half of 1938 reached a value nearly double that of the corresponding 1937 period and continued the upward trend in evidence since 1935. On the other hand, agricultural imports from Canada in the 1938 period represented little more than 15 percent of the comparable 1937 figures and were the smallest for any similar period in recent years. A large portion of the current export figure is accounted for by an increase in United States exports in transit through Canada, especially of grain, it was stated. The larger export value reflects, it was said, continued recovery from drought conditions in the United States, which has been accompanied by a larger volume of exports at lower unit prices. Continued favorable United States production conditions have been largely responsible for reducing agricultural imports from Canada to more usual levels. Reduced consumer demand in the United States has also contributed to the smaller agricultural import trade this year.

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MARKETING WORK CONSOLIDATED IN DEPARTMENT OF AGRICULTURE

001 22 1938 ☆

U. S. Department of Agriculture

Secretary Wallace this week announced major changes in the structure of the United States Department of Agriculture. Of especial interest to State marketing officials and economic research workers is the consolidation and coordination of marketing work now in 7 agencies of the Department. Administration of marketing work was lodged in 4 units responsible to the Secretary through A. G. Black as Director of Marketing and Regulatory Work.

1. All marketing research, service and regulatory work of the Bureau of Agricultural Economics in connection with cotton, dairy and poultry products, fruits and vegetables, grain, livestock, meats, wool, hay, feed, and seed, warehousing, tobacco, market news service, and the Division of Crop and Livestock Estimates was placed under C. W. Kitchen, formerly Assistant Chief of the Bureau of Agricultural Economics. Also under Mr. Kitchen will be the administration of the Packers and Stockyards Act, the Federal Seed Act, and the Dairy Exports Act.

2. The Federal Surplus Commodities Corporation, the marketing and marketing agreements work of the Agricultural Adjustment Administration, and administration of Sec. 32 of Public No. 320, 74th Congress, and related legislation, were placed under J. W. Tapp, formerly Assistant Administrator of the Agricultural Adjustment Administration.

3. Administration of the Sugar Act of 1937 continues under Joshua Bernhardt.

4. Administration of the Commodity Exchange Act continues under J. W. T. Duvel.

The Bureau of Agricultural Economics, relinquishing certain marketing functions and adding a number of other activities will be under the direction of H. R. Tolly, formerly Administrator of the Agricultural Adjustment Administration. (R. M. Evans, Assistant to the Secretary, was appointed Administrator of the Agricultural Adjustment Act.) As newly constituted the Bureau of Agricultural Economics will include all general programming and planning for adjustment, conservation, and marketing programs for the Department. To it will be transferred the Program Planning Division and the general planning for marketing programs heretofore in the Agricultural Adjustment Administration, the general land-use planning functions under the Flood Control Acts, Water Facilities Act, forestry programs including farm forestry, wildlife conservation program, tenancy and rehabilitation programs, and erosion-control programs.

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BUREAU HELPS FARMERSPLAN FOR 1939 PRODUCTION

This month the Bureau of Agricultural Economics has in preparation the basic data and preliminary forms of its Fourteenth Annual Outlook Report. Eric Englund, Assistant Chief of Bureau says in a statement in the October special edition of the "Agricultural Situation" for crop and price reporters:

"Farmers are planning for 1939 production. To give them a better basis for decisions, the Bureau of Agricultural Economics is holding this month its Fourteenth Annual Outlook Conference of Federal and State agricultural economists. Agricultural supply, demand, and price situations will be analyzed, and desirable production adjustments indicated. Conclusions will be brought to farmers, mainly through Federal and State agricultural extension agencies. The facts will be used also by agencies administering the agricultural adjustment programs for greater stability and security in agriculture."

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LOUISIANA EXPECTS RECORDMILK PRODUCTION THIS YEAR

A report from the Agricultural Committee of the New Orleans Association of Commerce says that "when the figures are finally in at the end of this year, Louisiana will probably show an all-time record for the production of milk. Our supply of milk for city markets and for dairy manufacturing purposes has been the highest in many years. Creameries are expected to report a record production of butter and the production of other manufactured dairy products will no doubt reach record figures.

"Feed supplies have been abundant and prices for feed are considerably lower than last year. With high milk yields and low feed prices the dairy farmer has been in the most favorable position he has been in for several years. Even with the higher production of milk this year the amount produced in the State is far below the amount needed to furnish the State with all the butter, cheese, and other dairy products which it consumes."

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NEW YORK REGULATES"CONTENTS" OF PACKAGES

A new regulation promulgated by the New York Department of Agriculture and Markets, to have the force and effect of law, provides that use of such terms as pound, gallon, bushel on a label or container generally will not be permitted unless the term correctly represents the net quantity in the package.

Commissioner Noyes explained that the regulation was deemed necessary when a national manufacturer labeled a container "pound cut" and underneath, in smaller letters, printed "net weight 9½ oz." The new regulation does not apply to instances where trade custom or common usage permits the use of terms such as "pound cake". But "pound piece" or "pound cut" will not be permitted on a container unless the net contents equal 1 pound.

PRODUCTION CREDITLOANS A NEW HIGH RECORD

Loans to farmers from production credit associations reached a 5-year high of \$183,000,000 outstanding at the mid-point of the 1938 financing season, it was announced this week by Production Credit Commissioner S. M. Garwood of the Farm Credit Administration, opening a conference of presidents and treasurers of the 12 production credit corporations. Garwood said the 535 associations making crop and live-stock production loans on a cooperative basis in the 48 States now have more than 260,000 farmer-members. The largest amount of loans was outstanding in the Spokane district - \$26,000,000 including Washington, Oregon, Montana, and Idaho; and the largest number was in the Columbia district which covers the Carolinas, Georgia, and Florida.

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MINNESOTA MAKES SURVEYOF STORAGE-LOCKER PLANTS

The Minnesota Extension Service reported this week the results of a survey showing that more than 37,000 Minnesota families may now be served by cold storage lockers. Minnesota now has 132 locker plants, ranging in size from 50 lockers to 880 lockers, it was stated. The average is 283 lockers, and the survey showed a general downward trend in size of plants. Plants installed in 1935 averaged 438 lockers, and those established in 1938 averaged 242.

Forty-six of the 132 plants are owned cooperatively, while 86 are independently owned. Only 17 plants are run as separate units devoted exclusively to the rental of lockers and related services. There are plants in 57 of Minnesota's 87 counties, though they are more numerous in the southern counties.

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IOWA ISSUES SIMPLEFORM OF FARM LEASE

Introduction to Iowa farmers of a new type of Iowa farm lease, "stripped of legal barbed-wire entanglements and embodying improvements suggested by the State tenancy committee, county agricultural planning groups and by renters and owners at county tenancy hearings," was recently announced by the Iowa Extension Service.

The new type lease is known as the "Iowa Farm Lease, Cash or Crop Share". Complicated provisions that do not help in the operation of the farm or that are generally misunderstood have been left out. Instead, the new lease incorporates provisions "now being practiced by some of the most successful landlords and tenants in the State." Copies of the new form of lease are obtainable from Herbert G. Folken of the Iowa State College extension agricultural economics staff at Ames.

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MISSOURI LAUNCHES CAMPAIGNTO ADVERTISE APPLES

The Missouri Department of Agriculture recently announced that at a series of meetings, called by the Apple Advertising Committee of the

Missouri State Horticultural Society, apple growers of Missouri voted in favor of a continuing program to encourage the use of Missouri apples. Although the total production of apples in Missouri during 1938 is small when compared with the bumper crop of 1937, Commissioner Jewell Mayes of the Missouri Department said that "our growers feel that consumers should not be permitted to forget that 'Missouri Grown Apples' are 'always the best 'Buy' for your money." In addition to conducting the local advertising campaign, growers contributed a sizeable portion of their funds to a national research institute engaged in finding facts about apples.

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NORTH DAKOTA REPORTS ON MAN, MACHINE HARVEST LABOR

The North Dakota Experiment Station said this week that "with all field work completed and tabulation about to begin on a recent harvest labor survey in North Dakota, a preliminary check of the information taken indicates that the harvest laborer is far from being wholly supplanted by the power machinery in North Dakota. Possibly 40 to 50 percent of all harvest work was done by transient labor in Cass County alone."

Sharp differences between the source of supply of harvest labor in the Red River Valley and the western part of the State with a much greater use of transient labor in the Valley will be indicated by a tabulation of the material gathered this summer by representatives of the United States Department of Agriculture, it was stated. In the areas worst hit by the grasshoppers, the labor was predominantly furnished by the farmers' own families. The exchange of labor particularly in threshing was also reported as prevalent in those areas.

The survey was under the direction of Josiah C. Folsom of the Bureau of Agricultural Economics, Robert Cullum of the Lincoln, Nebraska, Regional Farm Security Administration staff, and Donald G. Hay of the North Dakota Experiment Station. It represented a farm-to-farm survey in a number of townships in 10 counties. Many transient harvest laborers also were interviewed.

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BETTER MARKETING FACILITIES SOUGHT FOR SOUTHEASTERN PRODUCE

Details of a cooperative study looking toward the development of improved marketing facilities for the rapidly growing fruits and vegetables industry in the Southeast were announced this week by the co-operating agencies, including the Bureau of Agricultural Economics, the South Carolina Experiment Station, the North Carolina Experiment Station, the University of Georgia, and the Alabama Experiment Stations.

Statistics were quoted showing a 20-percent increase in the production of fruits and vegetables in the Southeastern States during the last 7 years. All of this increase, plus a large part of the tonnage formerly handled by rail goes by motor truck to nearby and distant markets. Much of it is bought at the farms by itinerant truckers.

Federal and State economists studying the situation believe that in the interests of producers, consumers, transportation agencies, and

the trade there is need for the development of a system of well-planned markets at key points in the Southeast, where farmers, truckers, and other buyers can meet on common ground. Daily reports would be made available on supply, demand, and price conditions in eastern primary and terminal markets, and the products sold in open competition.

The proposed system of markets is a part of the answer of Federal and State specialists to problems which have developed with (1) the decline in rail transportation of perishables, (2) the increased use of the motor truck with the rise of the itinerant or so-called "gypsy" motor trucker, and (3) the rapid increase in production in this area which makes the establishing of a marketing system a necessity.

The proposed markets, in effect, would be concentration points to which farmers from surrounding areas would haul produce for sale to buyers who would re-distribute the food by rail, truck, or boat to nearby and distant markets. It was stated that regional assembling or concentration markets have been established in many producing areas by State governments, private corporations, individuals, and cooperative associations, that some of these markets have been well-conceived and are efficiently operated, but that the entire development has been more or less a mushroom growth uncoordinated with present and prospective needs.

A detailed study is to be made of existing markets, production areas, highways and railroads converging upon logical concentration points as related to distribution needs. Markets would be proposed at these concentration points to provide competitive outlets for growers, make it easier for truckmen to buy perishables, make possible the assembling of large enough quantities to ship in carlots by rail, attract large-volume buyers, and facilitate standardization, grading, packing, market information, and sales promotion.

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FARM PRICE INDEX RISES TO HIGHEST FIGURE IN MONTHS

A 3-point rise in the index of prices of farm products during the month ended September 15 was reported this week by the Bureau of Agricultural Economics. The index advanced to 95 percent of pre-war prices. Officials added that further gains in the last two weeks of September probably raised the index to the highest figure since last March. A long list of farm products advanced in price during the last month of record. Wheat was the principal gainer. Officials pointed out, however, that prices are far below the figures at this time a year ago, when the September index was 118 percent of pre-war. Wheat and corn are selling for about half the prices a year ago, cotton sells for less money, and the price of hogs shows a 25 percent reduction.

A rise in the exchange value of farm products also was reported for September, to 78 percent of pre-war, compared with 75 on August 15, and with 91 on September 15 a year ago.

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"MODERNIZING COTTON GINS" is the title of a new Farmers' Bulletin recently released by the United States Department of Agriculture. It is based upon extensive research by the Bureau of Agricultural Engineering and the Bureau of Agricultural Economics.

CALIFORNIA GETS LEGAL
SANCTION ON FOODSTUFFS ACT

The California Department of Agriculture reported recently that provisions of the Processed Foodstuffs Act of the Agricultural Code have been sustained by a "three judge Federal district court". Macaroni manufacturing companies sought to restrain the California Director of Agriculture from enforcing a marketing order on the ground that the provisions of the Act under which the order was issued were violative of the Constitution of the United States. Application for a restraining order was denied and the action dismissed.

The law is designed "to correct abuses in the macaroni, tamale and baking industries." It provides, also, for the establishment of standards of quality for specific products, for the proper marking and labeling of such products, for regulations to prevent the sale of processed foodstuffs below cost, for prevention of deception of the consuming public in the sale of such production, for prevention of the development of monopolies, for the protection and promotion of free and open competition, and for encouraging the consumption of superior qualities of macaroni and tamales and baking products.

The plaintiffs alleged that the Act is confiscatory on the ground that it requires adherence to a minimum sale price under which no processor or distributor shall sell or offer to sell his foodstuffs. The Court held that inasmuch as the Department had not established a minimum price and appended it to the marketing order, the attack on that section was premature "for the Act is not mandatory that such price regulation shall be undertaken."

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NEW YORK FINDS SHARE FARMING
"NOT GENERALLY PROFITABLE"

Share farming in New York is not generally profitable, it was stated this week by Paul L. Poirot of the New York State College of Agriculture, following a visit to share-operated farms in various sections of the State. At a time when owner-operators are finding it hard to pay taxes and make ends meet, it is not easy for a share tenant to produce enough on a farm to support two families, his own and the landlord's, Poirot said.

"Most of the share farms I have seen cannot produce that much, at least not with the present purchasing power of farm products," he added. "Sixty-cent wheat does not buy a \$240 grain binder." Some tenants, however, were reported as "doing well", owning their tools and machinery, educating their children, and enjoying most of the comforts and conveniences "any hard-working man deserves." Examples at the other extremes were cited. Poirot said that some of the farms he visited have had 10 or 12 different tenants in the past 10 years.

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"GRADING DRESSED TURKEYS" is the title of a new Farmers' Bulletin issued this month by the United States Department of Agriculture. It is by Thomas W. Heitz, marketing specialist, Bureau of Agricultural Economics.

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

October 19, 1938

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NEW JERSEY URGES TERMINAL IMPROVEMENTS

Consumer organizations "interested in lower food prices" were urged this week by L. A. Bevan of the New Jersey Extension Service to "put the weight of their influence behind current moves to eliminate the waste and inefficiency so common to the terminal markets of our great cities."

Mr. Bevan was addressing the Consumers' Institute assembled at New Brunswick. He said that "consumer organizations cannot meet obligations to their members if they ignore opportunities open to them in markets of nearby, large cities." The wholesale fruit and vegetable markets of Philadelphia and New York were cited as examples of distribution centers "whose facilities and practices are far behind today's needs." In both markets, he declared, excess handling and other wasteful practices made necessary by the use of antiquated facilities "have unduly boosted costs to the detriment of consumers, farmers, and middlemen."

In Philadelphia, the speaker said, the existence of 5 separate wholesale produce markets has "greatly increased the costs of trading for farmers and buyers." The Quaker City's wholesale business has totaled \$70,000,000 annually, but recently it has been losing volume at the rate of \$1,500,000 a year because of what growers and buyers say are unsatisfactory trading conditions.

"The solution in Philadelphia lies in the establishment of one consolidated market, which would make possible substantial savings in distribution costs," Bevan said. He reported the recent organization of The Growers' Committee For Improving Philadelphia Market, membership in which includes leading fruit and vegetable growers of Pennsylvania, New Jersey, Maryland, Delaware, and Virginia.

"This committee," Bevan said, "is working for a modern central market for Philadelphia. The move is one that has the support of dealers as well as farmers; it is a move that deserves the support of consumer organizations in central and southern New Jersey."

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NORTH CAROLINA REPORTS ON MARKETING SERVICE

Several new lines of marketing work in North Carolina during the last 2 years are described in a biennial report by Randal B. Etheridge, Chief of the Division of Markets of the North Carolina Department of Agriculture. They include an expansion of market news services, insti-

tution of a livestock grading and marketing program on July 1, 1937, and an egg grading and certification project. Market news reports are supplied to daily and weekly newspapers, the Associated Press, radio stations, and to farmers direct by mail. There is complete coverage of country and terminal markets on tobacco, cotton, livestock, hay, feed, grain, fruits, and vegetables.

A tobacco marketing specialist was added to the Division staff in 1937, to demonstrate approved and efficient methods of preparing tobacco for market. A cooperative agreement was made with the Bureau of Agricultural Economics for additional part-time help to meet the heavy demand for this service. Proper sorting, tying, grading and arranging of tobacco on warehouse floors are features of the demonstrations.

A member of the Division was licensed as a supervisor by the Bureau of Agricultural Economics in connection with the egg grading and inspection project. This supervisor in turn trained and licensed employees of various farmers' associations. More than 26,000 dozens of eggs were certified. In connection with the livestock grading and marketing program, 4,681 lambs belonging to 450 farmers were officially graded and marketed cooperatively.

Etheridge reports that the inspection and certification as to grade of fruits and vegetables is the largest project of work in the Division. This work also is in cooperation with the Bureau of Agricultural Economics. Twenty-three products are inspected. During the heavy movement of potatoes in June 1938 there were 140 licensed inspectors.

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NATIONAL DAIRY ADVERTISING CAMPAIGN TO BE LAUNCHED

The Minnesota Extension Service reported this week that plans for a national advertising campaign to stimulate the use of dairy products along the lines of the program started by the Minnesota Dairy Industry committee were set in motion at a recent meeting in Chicago. Ninety-five officers and representatives of leading dairy organizations in 16 States attended the meeting. A 23-man committee was selected to develop the national program and to outline policies. The national committee includes representatives of the Tri-State Dairy committee, the National Association of Local Creameries, the American Butter Institute, the National Cooperative Milk Producers Federation, National Association of Direct Cream Shipper Creameries, the national cheese and evaporated milk industries, and agricultural colleges.

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IMPROVEMENT EXPECTED IN DEMAND FOR FARM PRODUCTS

Improved conditions affecting the domestic demand for farm products were reported on October 15 by the Bureau of Agricultural Economics. Industrial activity has expanded and consumer incomes have increased in recent months. The Bureau indicated that this should be reflected soon in a better demand for farm products.

Improvement was noted in the domestic cotton textile situation,

and the Bureau said the improved European political situation is favorable to a revival of the cotton textile export business of European countries. The estimate of world wheat production for 1938-39 was raised to 4,375,000,000 bushels, an increase of about 50,000,000 bushels compared with a month ago. The farm supply of feed grains - about 99,000,000 bushels as of October 1 - was reported to be the largest for this time of year since 1932. The supply per grain consuming animal unit is slightly smaller than a year ago, about the same as in 1932, and the largest for any other year since 1925.

The Bureau expects some improvement in the domestic demand for all fruits this fall and winter, and a somewhat better foreign demand for fruits this season compared with last. Production of most of the important late truck crops was reported to be "substantially larger this year than last."

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ILLINOIS SAYS COSTS

REDUCED BY CORN PICKERS

The Illinois Extension Service reported this week that many Illinois farmers will depend upon mechanical corn pickers this fall to reduce corn husking costs which at the nominal rate of 4 cents a bushel will amount to more than \$14,000,000 for the 1938 crop estimated at 361,673,000 bushels.

The Service said that the average cost of husking corn with mechanical corn pickers was found to be 2.3 cents a bushel in a study of costs of operating two-row pickers which has just been reported by P. E. Johnston, associate chief in agricultural economics, and M. P. Gehlbach, assistant in agricultural economics extension. The study covered records on 96 pickers operated by farmers in Champaign, Piatt and Logan Counties.

For husking and cribbing corn with the pickers, the cost was \$2.64 an acre, or 4.3 cents a bushel. The cost for husking and cribbing an equivalent amount of corn by hand would have been \$5.97 an acre, or 9.6 cents a bushel. This cost includes a charge of 4.5 cents a bushel for husking plus a charge for horses, wagon use and use of elevator for unloading. There was little difference in the cost of husking corn with the pull-type and mounted pickers.

Copies of the report are obtainable from the Illinois College of Agriculture at Urbana.

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NEW YORK REPORTS ON

PAPER MILK CONTAINERS

One of the most important recent contributions to the market milk industry is the development of paper containers for milk and milk products, according to Dr. J. R. Sanborn of the New York State Experiment Station at Geneva. While the glass milk bottle has served a definite purpose in the dairy industry, the paper container as a single-service container also fills a real need in delivery through grocery stores, delicatessens, and various food establishments, he says.

Dr. Sanborn adds that although paper board as made from virgin

wood pulp is clean and free of all harmful bacteria, many paper mills are now actively engaged in perfecting methods of manufacture whereby all types of harmless bacteria in the pulp and paper are also eliminated "Rinse tests" of paper containers now on the market reveal in most cases, he says, that "the containers meet a very severe standard of less than 50 organisms in the entire container."

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MICHIGAN GRADES BEANS TO INCREASE MARKETS

New bean grading regulations were recently issued by the Michigan Department of Agriculture. Four grades are provided: "Choice hand picked," "Prime hand picked," "Choice re-cleaned," and "Fancy screened." The grades are mandatory on all save beans sold by producers direct to ultimate consumers. John B. Strange, Michigan Commissioner of Agriculture, announced that a full-time staff of inspectors would police the entire State in search of misbranded produce.

The Commissioner is reported as having asserted that "carelessness and lack of uniformity in grading" had reduced Michigan's prestige among the bean-producing States, that the new regulations were being imposed with the consent of producers and dealers in the hope of winning "a reputation for good grading that will place Michigan beans in a class where they will command premium prices."

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COMMODITY CREDIT CORPORATION GIVES DETAILS OF LOAN PROGRAM

The Commodity Credit Corporation, since its creation in 1933, has made loans on 14 commodities: cotton, corn, gum turpentine and gum rosin, wool and mohair, wheat, peanuts, tobacco, raisins, dates, figs, prunes, and butter. Through August 31, 1938 these loans totaled \$783,781,093.80, repayments and notes charged off totaled \$500,388,141.98, \$283,392,951.82 was outstanding. Approximately 95 percent of the money loaned between 1933 and August 31, 1938, was on cotton and corn.

The work of the Corporation since its inception is described by J. W. Tapp of the Agricultural Adjustment Administration, in the October issue of "The Agricultural Situation", monthly publication of the Bureau of Agricultural Economics. Mr. Tapp concludes with the statement that "the commodity loan is not merely a marketing adjustment device. It is one of a group of methods designed to bring about agricultural stability and balance. The experience of the corn farmer has shown that the commodity loan can be an effective device for leveling off the hills and valleys in supplies and prices of some commodities."

Other articles in the October issue include "Two Million Submarginal Acres", a progress report of the land utilization program being administered by the Bureau; "The Cattle Feeding Situation"; "Greater Security for Tenants"; "Tobacco to the Highest Bidder"; "Problem - Land Speculation"; "Peanuts Go to Market"; and "American Cotton in the Orient."

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MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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MARKETING OFFICIALS TO HOLD TWENTIETH ANNUAL CONVENTION

Transition in Marketing Pro-
cedure to be General Theme
of Sessions at Cleveland

The Twentieth Annual Convention of the National Association of Marketing Officials is to be held at Cleveland, Ohio, November 10, 11 and 12. Warren W. Oley, Secretary of the Association, has announced that the general theme of the meeting will be "Transition in Marketing Procedure." Local, State and Federal aspects of this subject will be discussed by public officials and leading representatives of the processing and distribution industries.

The convention will be opened with an inspection tour of the Northern Ohio Food Terminal at 40th and Orange Streets, and with greetings from Earl H. Hanefeld, Director of Agriculture, State of Ohio. A prominent place on the program has been given S. R. Newell of the United States Department of Agriculture, who will describe the recent reorganization of marketing service and regulatory work of the Federal department.

The main theme of the sessions will be led by Webster J. Birdsall, Director, New York State Bureau of Markets, under the title, "Improvements in Terminal Market Facilities." In a round table discussion, Carl W. Kimball, Deputy Commissioner of Markets of New York City will speak on "Modern Terminal Market Facilities", and Russell Swiler, Manager of the Northern Ohio Food Terminal, will speak on "Transportation As It Affects Terminal Markets."

The sessions on November 11 will begin with an address on "Trends in the Marketing of Livestock" by G. Bruce Lasley, Chief, Tennessee Division of Markets. "The Grading of Cattle" will be discussed by Fred Hallmer of the Union Stock Yards at Cleveland; "The Grading of Sheep and Lambs" by A. F. Potter, Manager, Cleveland Producers' Association, and "The Grading of Hogs" by F. G. Ketner, Secretary-Manager, Producers' Cooperative Commission Association, Columbus.

"Country Point Auctions" will be the subject of an address by George F. Henning, Ohio State University Department of Rural Economics, and "Regional Livestock Markets" by Harry E. Crouch, New York State Department of Agriculture and Markets. J. H. Meek, Director, Virginia Division of Markets, will be discussion leader on these topics.

"Improvements in Commodity Packaging of Fruits and Vegetables" will be described at the afternoon sessions on November 11, by H. M. Newell, Superintendent, Illinois Division of Markets. "Desirable Type of Pack and Packages" from the standpoint of the producer, will be discussed by I. J. Kussee, President, Greenhouse Vegetable Packing Company at Berea, Ohio; from the standpoint of the wholesale merchant, by Robert F. Blair of the A. C. Blair Company at Cleveland, and from the standpoints of the retailer and consumer by speakers yet to be announced.

"The Standardization of Packages from a Weights and Measures Standpoint" will be described by L. C. Carey of the United States Department of Agriculture, and discussion of this subject will be led by L. A. Bevan, Extension Economist in Marketing, New Jersey Agricultural Extension Service.

On November 12 the sessions will begin with an address on "Newer Devices in Poultry Products Marketing" by S. B. Shaw, Chief, Maryland State Department of Markets. "Developments in Dressing (poultry) at Country Points" will be described by a speaker yet to be announced, and "The Future of Quick Freezing" will be presented by E. B. Heaton, Executive Vice-President, Institute of American Poultry Industries.

"Grades for Live Poultry at the Auctions in New Jersey" will be discussed by Leon Todd, Supervisor, Poultry Products Marketing, New Jersey Department of Agriculture, and "Federal-State Poultry Grading Program in Ohio" by Ray C. Wiseman, Supervisor, Egg and Poultry Grading, State of Ohio. Discussion on grades for live poultry will be led by Benjamin P. Storrs, Director, Connecticut Bureau of Markets.

The convention will close with an address, "A Million Dollar Show for a Billion Dollar Industry", by Sidney A. Edwards, Managing Director, Seventh World's Poultry Congress and Exposition.

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FARM OUTLOOK FOR 1939
VIEWED BY FEDERAL BUREAU

Federal and State agricultural economists completed at the United States Department of Agriculture in Washington last week, their annual outlook conference, viewing the farm outlook for 1939. A printed report on present situations and prospects for all the leading agricultural industries will be issued, about November 15, by the Bureau of Agricultural Economics.

A series of news releases on the outlook was issued by the Bureau, in which it was stated that "the demand for agricultural products is

expected to be somewhat more favorable in 1939 than in 1938, with considerable improvement in domestic conditions offsetting less favorable foreign prospects....A slight rise in prices of farm products as a whole may occur. The disparity between prices received and prices paid by farmers may be reduced. An appreciable increase in farm income is anticipated....Farm income is expected to be higher in 1939 than in 1938, with the increase coming mainly from commodities which respond more quickly to increase in consumer purchasing power. An increase in marketings of this group of commodities is likely to more than offset the effect on income of any decline in prices which may accompany the increased supplies."

The Bureau based its forecast for increased farm income next year upon prospective upward trends in industrial activity and consumer incomes. Industrial production probably will average materially higher than in 1938, it was stated, but lower than in 1937, the improvement to come mainly from a higher level of output of automobiles, building, steel, textiles, and miscellaneous consumers' goods." The major part of the improvement will represent increases, the Bureau said, in the output of goods bought by consumers, and of materials used in their production. It was thought that the recovery in production of producers' goods, or of industrial plants and equipment, "may be somewhat delayed due to relatively unfavorable situations in the important railroad, utility and private non-residential building industries."

Increased United States production of livestock and livestock products is expected, but with the upward trend in consumer incomes it is believed likely that these larger supplies will result in more farm income than in 1938. Fruit and vegetable crops in 1939 may also be larger than in 1938, and the income from these products should be higher, it was stated. Income from the less perishable crops - grains, cotton, and tobacco - will be "influenced somewhat by the large carry-overs now in prospect at the end of the present crop marketing season."

The Bureau said that "the moderate decline in prices of commodities and services used in production, together with some curtailment in purchases, has enabled farmers to reduce their total farm production expenses slightly in 1938. In 1939. it is likely there will be little change in farm production expenses from those of 1938. The net cash income of farm operators will probably be materially higher in 1939."

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NORTH DAKOTA APPLAUDS

TURKEY GRADING CHANGES

The North Dakota Extension Service said this week that "valuable results for North Dakota turkey producers are expected from the changes made recently in the Federal turkey grade specifications." Most important and noticeable of these changes, it was stated, "are the factors which have to do with maintenance of quality from the time the turkey is killed until it reaches the consumer. There also are several additional requirements for the U. S. Special and U. S. Prime grades.

"This greater attention to quality should result," it was added,

"in increased demand, easier selling, and consequently a better price and lowered marketing cost for the producer." A reduction in marketing costs is expected "to come through the greater ease with which quality birds can be sold by merchandising agencies."

Frank E. Moore, poultry representative of the North Dakota Extension Service explained that "birds that have been carelessly dressed or that have feed left in the crops, or that have been packed before proper cooling, often deteriorate during shipment. The merchandising agency often sells these birds on the basis of grade. If the quality of a shipment upon arrival is inferior, the shipment may be refused. In such cases the birds may have to be reloaded and shipped elsewhere - all of which adds to the marketing cost."

Some of the new general provisions of the Federal grades aimed at quality improvement include complete removal of feathers, cleanliness of the entire bird, increased care to prevent injury to the carcass, and prompt and effective cooling before packing. "All of these factors are being taken into consideration by North Dakota Federal graders this season," the Service said.

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CALIFORNIA MILK BOTTLE EXCHANGE EFFECTS SAVINGS

The California Department of Agriculture has reported that 12 milk bottle exchanges operating in California have been effective in restoring milk bottles to their owners and thereby contributing to the stabilization of the milk business through prevention of higher costs for milk which would occur if bottles were not used many times."

The figures show that in 1937 the exchanges handled almost 16,000,000 milk bottles, and large quantities of milk cans, milk bottle cases, and other dairy containers. "Undoubtedly the cost of the lost bottles would have been represented in the cost of dairy products to the consumers."

A tendency to supplant the ordinary glass milk bottle with so-called paper bottles, was reported. The Department said that at present "there are 2 types of paper containers, 1 being manufactured at a central point and shipped to the various milk dealers for use; the other being assembled, sterilized and filled on the premises."

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ILLINOIS TO HOLD "ROUND-UP" ON KEEPING FARM ACCOUNTS

The Illinois Extension Service announced this week that a round-up meeting on the keeping of farm records and accounts will be held at Ottawa, Illinois, November 16. Farm records kept during the past 20 years by northern Illinois farmers cooperating with the Illinois Extension Service have shown repeatedly, it was stated, that "wide differences in farm incomes are common." Figures were cited showing that 1 farmer in 5 in a typical northern Illinois neighborhood makes a 240-acre farm pay from \$3,000 to \$4,000 a year more than one of high neighbors, and from \$1,500 to \$2,000 a year more net income than the average. Some of these successful farmers "have agreed to tell their secrets" at the Ottawa meeting, it was stated.

NEW JERSEY AUCTION
TO HAVE STORAGE LOCKERS

The New Jersey Department of Agriculture recently announced that a cold storage locker system has been projected as an installation in conjunction with the Flemington Auction Market. This is the first cold storage refrigerator of its kind to be introduced in New Jersey. Clarence H. Stains, auction master at the Flemington Auction, said that "a new building will be constructed in connection with the auction which will have the entire first floor devoted to a complete locker plant, including slaughter, cutting, ageing, quick freezing, chilling and storage rooms. Although locker space will be made available to the 2,500 members of the Auction Association first, there will be no restrictions. Other families may rent the remainder. Rentals will be approximately \$10 a year for each locker."

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CREAM LINE MAY DISAPPEAR
FROM NEW YORK MILK BOTTLES

The New York Extension Service said this week that "housewives of the future will no longer have to turn the milk bottle upside-down to mix the cream, as milk will have no cream line. Both milk and cream will have been thoroughly mixed before hand by machines under 2,500 pounds of pressure. This 'homogenized' milk will be of smooth, even texture, color, and taste. All the fat globules will be evenly distributed."

The Service said that the process has been used for some years in the manufacture of ice cream and evaporated milk, but only in recent years has it been applied to fluid milk. Several cities were reported as having adopted it in varying degrees, including Buffalo, Rochester, and Utica in New York State, and several cities in other States and in Canada. Some housewives have objected to the absence of coffee cream at the top of their milk, but they soon get used to the new product, it was stated.

Companies in the central west were reported as having put out a homogenized mixture of milk and cream that tests about 10 percent and which may be used for cereals or coffee. The new type of milk is lighter in color than the regular product because of the larger number and distribution of small fat globules.

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FARMER COOPERATIVES
DO INCREASED BUSINESS

The Farm Credit Administration announced last week that American farmers' marketing and purchasing cooperatives registered a 14 percent increase in business volume in the last year, according to 1937-38 estimates. Farmers did a marketing business of \$1,960,000,000 through their cooperative associations, a rise of 10 percent over 1936-37, and boosted by 23 percent the volume of purchasing done cooperatively, buying supplies worth \$440,000,000.

The Administration said that "supplementing the nation-wide survey covering the 1936-37 marketing year, the new 1937-38 estimates indicate

that the intervening year has seen a growth in the number of active cooperatives of 148, giving the nation 10,900 marketing and purchasing associations, doing a business of \$2,400,000,000. Membership affiliations have increased 4 percent to a total of 3,400,000."

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MISSOURI TO LIST

LICENSED PRODUCE DEALERS

The Missouri Department of Agriculture recently announced that it will publish a bulletin listing all produce dealers licensed under the Missouri Commission Merchant Law. Copies may be obtained from the Department, at Jefferson City, Missouri. Besides listing the licensed dealers, the bulletin will explain the provisions of the law which afford bonded protection to commission consignors of farm produce. The Department announced also that it is "engaged in a close examination of the business methods and bonds submitted by dealers who have made applications for licenses to do business as commission merchants."

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CALIFORNIA TO ADVERTISE

GRAPE AND OTHER WINES

The California Department of Agriculture recently issued a marketing order under which wineries of California "will be enabled to develop and carry out a national advertising and trade promotion plan designed to increase the consumption of wines produced from California grapes and other fruits used in wine making."

The order provides for the collection of an assessment of $\frac{3}{4}$ cent per gallon upon all dry wines and $1\frac{1}{2}$ cents per gallon upon all sweet wines prepared for market in California. The funds received from these assessments would be used to defray the cost of the advertising and trade promotion program. It has been estimated that more than \$600,000 would be raised annually during the 3-year period in which the marketing order will be effective.

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DOCKAGE INSPECTION SERVICE

FOR FORAGE SEEDS

The United States Department of Agriculture recently announcee the inauguration of a dockage inspection service for country-run forage seeds, to be known as the "Seed Dockage Inspection Service." It was proposed to start with timothy and timothy mixed seed, and to add other kinds of forage seeds later.

The determination of dockage is one of the most important problems in the marketing of rough-cleaned or country-run forage seed from producing centers or shipping points to larger concentration points or important markets, it was stated. Up to the present time this determination has been made largely by the purchaser or receiver of the seed at destination and in the case of timothy seed a 2 percent allowance of dockage was frequently, if not generally, made. A detailed description of the new service is obtainable from the Bureau of Agricultural Economics, Washington, D. C.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

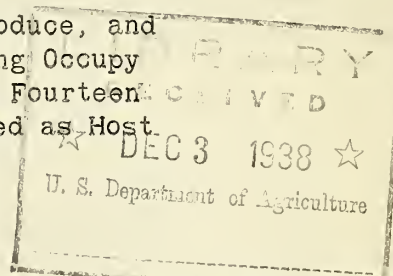
A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

November 16, 1938

Vol. 18, Nos. 45 and 46

NATIONAL ASSOCIATION OF MARKETING
OFFICIALS REVIEWS PRODUCER-DISTRIBUTOR
PROBLEMS AT CLEVELAND

Terminal Markets, Packaging of Produce, and
Developments in Livestock Marketing Occupy
Attention of Representatives from Fourteen
States and Canada -- Miami Selected as Host
City for 1939 Convention.



Representatives from 14 State Bureaus of Markets, local trade members from the produce and livestock industries, and Federal officials from both the United States and Canada attended the Twentieth Annual Convention of the National Association of Marketing Officials at Cleveland, November 10, 11 and 12. Discussion topics at the 3-day session centered in terminal market problems, current trends within the livestock and poultry industries, and improvements in commodity packaging of fruits and vegetables as they affect the interests of producers, distributors, retailers and consumers. States represented at the meetings were Connecticut, Delaware, Florida, Illinois, Maryland, Michigan, Minnesota, New Jersey, New York, North Carolina, Ohio, South Carolina, Tennessee, and Virginia. Canadian interests were represented by Dominion officials.

Terminal Markets

Webster J. Birdsall, Director of the Bureau of Markets of the New York State Department of Agriculture and Markets, was Chairman of the opening sessions on improvement in terminal market facilities for perishable commodities. He pointed, in his introductory remarks, to the wave of interest which has focused the attention of producers, dealers in perishables, and marketing officials upon the need for more adequate terminal markets. "Trucks as a factor in the transportation of perishables," Mr. Birdsall said, "have created a major problem in this need for more adequate terminal market facilities. The speakers here today have much to contribute in guiding our thought and effort toward logical approach and solution of these problems."

W. C. Crow of the Bureau of Agricultural Economics discussed developments in the fields of research and rehabilitation of terminal market facilities. "For years," said Mr. Crow, "you who guide marketing developments within your respective states have been asking the Bureau of Agricultural Economics for information needed as a basis for decisions

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and action in connection with marketing problems. It is apparent that you look to the Bureau for research information needed in your action programs, and for more than 3 years the Bureau has been trying to develop the information of which you are in need."

Mr. Crow pointed out that a good market centralizes rail, boat and truck receipts for all producing areas so as to provide a full line of goods for buyers. He said, "A good market is well located, accessible in the shortest space of time to retail stores as well as to arterial highways -- and on low cost land to permit economical layout and room for future expansion. It also must be well laid out to permit easy access for both in and out deliveries and for the needs of both the dealers operating upon the market and those upon whom market maintenance depends."

Round Table Discussions

Carl W. Kimball, Deputy Commissioner of Markets in New York City, introduced the round-table discussion of terminal markets by saying, "It is a discredit to the industry, in this 20th Century of ours, that perishable products of the soil after having been grown, harvested and packed in a most scientific way, at a material cost for all of this, and enjoying safe and rapid transportation by reason of modern and efficient facilities, should not find, at the end of the journey, a suitable means of reception and distribution through the local channels of each important consuming center." Mr. Kimball pointed out that producers, receivers and transportation companies are united in the belief that suitable terminals are lacking in many of the large centers of population, and are the principal agencies needed at this time for the orderly distribution of perishable food commodities. He cited instances in which it has cost more to pay the local handling charges to the store-door destination, than it had cost to pay the freight bill from point of origin to the City waterfront. "It is not the distance negotiated by truckmen", he continued, "that serves to regulate the cost of the work performed -- it is the duration required to complete the job."

Harry E. Crouch of the New York State Department of Agriculture and Markets contended that within the past few years at least \$100,000,000 has been wasted on terminal markets. "The speakers today have not overstated the conditions existing in our terminal markets", he said -- adding, "We in New York suggest that those interested in the problem take steps toward setting up a National Marketing Authority for handling these terminal market problems, as the efficiency or lack of efficiency in our markets affects all factors engaged in producing, distributing and consuming perishable produce."

W. C. Crow of the Bureau of Agricultural Economics replied, in part, to Mr. Crouch's comments by pointing out that the Bureau has extended its studies of marketing problems to producing areas. "Within the past 15 years," said Mr. Crow, "the Southeastern States have experienced a 21 per cent increase in production of fruits and vegetables for the fresh markets. Less of this production is going by rail, however, than in former years, and this entails the need for concentration points within the producing areas."

A Market Master Speaks

Russell Swiler, Manager of the Northern Ohio Food Terminal at Cleveland, spoke of the terminal problem from the market man's viewpoint. "We have for some time viewed with alarm," said Mr. Swiler, "the growth of truck transportation. Some of our dealers have handled these truck arrivals -- others have not. Our merchants say they do not want any more out-of-state produce by truck as much of this produce is of poor quality compared with the quality of our carlot receipts." Mr. Swiler pointed to a report from the local credit association which indicates that 90 percent of the deductions on bills sold to retail operators have been on these motor truck arrivals which merchants have handled believing them to be of honest pack and grade. "The railroads," he said, "are giving safe, dependable service, perfect refrigeration delivery for the 7th morning market from California, 4th morning market from Florida, and 5th morning market from Texas. As marketing officials, I think we can agree on the fundamental value of the railroads. You may want to register some views on their limitations and rate structures, and as I understand this meeting, we want those views recorded."

G. V. Branch, in charge of the Detroit City markets, reviewed terminal and city market developments in Detroit. "We in Detroit," he said, "do not see why the problem of grading produce brought in by truckers is any more serious than the problem of grading for farmers."

Robert Blair of the A. C. Blair Company, Cleveland wholesale dealers in fruits and vegetables, remarked, "We in Cleveland have wanted the fruit auction and the farmers' market because we have wanted a buyers' market. We feel that it is much better to have your competitor where you can know what he does rather than have his produce go direct to other buyers. I can't see, however, why the inspectors do not climb onto some of the trucks and clean up the situation as regards improper grading and false packing of truck arrivals coming to this market."

Bureau of Agricultural Economics Reorganization

S. R. Newell of the Bureau of Agricultural Economics reviewed the recently announced reorganization of the Bureau. "This reorganization", Mr. Newell said, "is largely a rearrangement of divisions within the Bureau and the Department with a view to more efficient functioning." He pointed out that as far as State marketing agencies are concerned, no changes have been indicated in the nature of the Bureau's cooperation with the various State agencies or in the manner in which correspondence and contacts with Bureau offices are to be handled.

Commenting upon the Bureau's studies of terminal and concentration markets, Mr. Newell said, "The Bureau is continuing its studies of large-scale distribution of perishables. We have prepared a special report upon the marketing of fruits and vegetables by chain stores in the Northeastern States." He also stated that the Bureau has prepared a considerable volume of material upon marketing legislation as it affects the distribution of perishable food commodities, and that a codification of State laws dealing with the regulation of perishable farm products is

under way as a Bureau project. "Perhaps," he added, "we shall want some coordinating committee from the State groups to go over these reports before they are released."

Market News Services

Warren W. Oley, Secretary of the Association and Chief of the New Jersey Bureau of Markets, asked as to the possibility of state or regional market news reports for the purpose of advising producers as to prospective supplies upon the markets to which they normally ship their produce.

S. R. Newell of the Bureau of Agricultural Economics pointed out that this phase of market news reporting is being considered in the Bureau's studies of the general field of market news reporting. "In this work," he said, "we need more complete data from the cities on truck unloads. To this we will need to add information from producing regions. The information from these two sources -- added to information available through the crop estimating services now existing -- would give growers a 'peek' into the coming week, as far as prospective supplies are concerned."

S. B. Shaw of the Maryland Department of Markets informed the gathering that information from chain stores and chain representatives as to prospective supplies from competitive shipping areas had been of value to Maryland growers and shippers.

George Travis of the National Association of Food Chains said that information dealing with prospective supplies of homegrown produce as well as with prospective supplies in shipping areas would be extremely valuable to both distributors and producers. "The present market news reports," he said, "do not concern themselves with the homegrown supplies which so often cause demoralization of markets."

Trends in Livestock Marketing

G. Bruce Lasley, Chief of the Tennessee Division of Markets, presided over the Friday discussions dealing with trends in the marketing of livestock. Mr. Lasley pointed to the varying changes in livestock production and marketing in different parts of the United States and to the causal factors behind some of these changes. "In Tennessee," he said, "fruits and vegetables are proving less profitable than some years ago, and more attention is being devoted to livestock. Our beef cattle industry in Tennessee is expanding each year."

Grading of cattle was discussed by Fred Hallmer of the Cleveland Union Stock Yards. Mr. Hallmer pointed out that on the Cleveland market but little actual grading of cattle is practiced. "Producers shipping to the Cleveland market select their feeders in uniform lots and turn out a fairly uniform product for the market. These feeders market their cattle to a large extent in truck lots, and select these truck lots as the cattle

are ready for market." He outlined the grade requirements of the Cleveland market and warned against holding heifers beyond the time when they show fair finish. Mr. Hallmer especially commended the Federal meat grading service, stating that the grading service has been of assistance in improving the average quality of live receipts at the Cleveland yards.

A. F. Potter, Manager of the Cleveland Producers' Association, outlined the grades into which the Cleveland trade segregate sheep and lambs. "We find," he said, "that farmers need more information as to the time for marketing lambs. There are times when the farmer loses by marketing lambs in the wool -- times when those lambs would bring better returns if held and marketed later as clipped lambs." Mr. Potter advised the marketing officials that the Cleveland trade desired some definite agency to handle the grading of lambs, and that lambs be sold after grading by the designated agency. "In our lamb improvement associations," he said, "we are trying very definitely to follow the recognized lamb grades. After August 1 we discount ram lambs on an advancing scale which averages around \$1 per hundredweight for the season. We are trying to get producers to castrate and dock their lambs to avoid these discounts. And we are trying to induce retailers to price and sell lamb on a quality basis so as to increase consumer satisfaction and acceptance."

F. G. Kettner, President of the National Swine Growers Association, brought out the importance of grading hogs. "Our major approach to improvement," he said, "involves the kind, quality and condition of livestock. We definitely are encouraging producers to have their hogs in condition for most advantageous trading either at local or terminal markets."

Country Point Livestock Auctions

George F. Henning of the Department of Rural Economics at Ohio State University, reviewed the development of auction selling of livestock, the advantages and disadvantages of auction selling. "The livestock auctions," Mr. Henning said, "serve as an assembling point for bringing together and offering for sale amounts of livestock that would otherwise be difficult to move from the seller to the buyer." He pointed to the psychology that goes with auction selling as an important factor in the development of country auctions, and said that the educational advantage of enabling the farmer to see the various grades and classes of livestock as sold has been an important factor in pointing the way to livestock improvement.

Mr. Henning discussed the disadvantages which may or may not exist in the individual auction market, including the possibility of spreading disease and parasites. Other possible disadvantages he enumerated as poor management on the part of auction operators, misrepresentation of livestock handled, collusion among buyers, too much domination of sales by traders, unsatisfactory methods used in grading and weighing, and the possibility of a shortage of buyers and low prices on some sales days.

His suggestions for improving auction selling methods embraced the right kind of supervision and better operating mechanism. "These can come

only through cooperation of buyers and sellers of livestock with farmer groups, educational institutions, and various agencies of Federal and State Government."

Harry E. Crouch of the New York Department of Agriculture and Markets, reviewed studies of livestock marketing in New York State. "It is my belief after sifting all of the evidence produced during the past 2 years," he said, "that the future set-up of the livestock marketing system should provide regional livestock markets where direct-sale, the commission method of selling, or the auction could be conducted as conditions warrant. There also appears to be a place for a limited number of secondary markets located in the more remote sections, which could be conducted either as auctions or as direct-sale markets, and used as feeders to the regional markets." According to Mr. Crouch, this assembly of large numbers of all kinds and classes of livestock at one point would make it possible to meet market demands as to grade and quantity, and prove a potent price-making factor.

J. H. Meek, Director of the Virginia Division of Markets, led the round-table discussion of livestock markets, improvement and grading of livestock.

Packages for Fruits and Vegetables

H. M. Newell of the Illinois Division of Markets commented upon progress in the packaging of fruits and vegetables but pointed out that the produce industry still has fallen short of the modernization results obtained in the packaging and merchandising of some other groups of food-stuffs. "We are fortunate today," Mr. Newell said, "to participate in discussions dealing with the packaging of fruits and vegetables from the standpoint of the producer, the wholesale handler of our produce, the retailer, and the ultimate consumer."

I. J. Kussee, President of the Greenhouse Vegetable Packing Company of Berea, Ohio, reviewed changes in fruit and vegetable packaging during the past several years. "With corrugated paper baskets," he said, "we are now able to ship tomatoes several hundreds of miles and have them arrive in sound condition. These baskets serve not only as a protection against damage in handling but they also protect their contents against damage by exposure." He pointed out that in years past, splint baskets necessitated wrapping in cold weather, and that the paper baskets also permit attractive display of grade and brand marks. Needs of the industry as outlined included standardization of varieties, grading and packaging within producing areas; withholding culls or inferior packs from the markets, waxing of certain vegetables, and precooling as an aid in insuring delivery in good condition and at lowest net cost per package of highly perishable commodities. "Auctions," he added, "will not even accept ungraded produce which shows that those who study the mass buying habits of both wholesale and retail buyers know they cannot advantageously sell ungraded produce."

Neil Furlong, Produce Sales Manager for the Kroger interests, pointed out that many of the so-called consumer packages are misnamed. He advised producers to study the needs of both retailers and consumers in selecting packages for fruits and vegetables, and pointed out that commodities which might sell in unbroken packages when prices were low entailed effort and expense in breaking down into smaller lots when prices advanced materially. Mr. Furlong told of the satisfactory results obtained in Indiana where the "Hoosier Seal of Quality" has been inaugurated for use in marketing produce under regulations set forth by the Horticultural Union. "Growers using this seal," he said, "are bonded to assure compliance with the requirements as to grade and application of the seals to graded produce. Compliance also is enforced by a rigid and efficient system of inspection and supervision of produce bearing this seal of quality." With his talk, Mr. Furlong presented a showing of sound pictures used as sales promotion material toward better merchandising of fruits and-vegetables by Kroger retail managers.

Does The Consumer "Prefer" Your Package?

E. E. Gallahue of the Consumers Counsel of the Agricultural Adjustment Administration discussed packaging of fruits and vegetables from the consumer's standpoint. Mr. Gallahue pointed out that consumer "acceptance"--"of- a package as a guide in buying could scarcely be expected to prevail where the purchase of produce in consumer packages adds more to the cost of the produce than the saving in waste and handling due to the use of such containers. "So far as added dressing of produce contributes to the better mechanics of distribution," he emphasized, "it may be justified in the price the consumer pays -- but if it merely enhances the price, with nothing given except esthetic appeal, it cannot be approved."

Mr. Gallahue pointed out that the few consumers represented by "the carriage trade" are interested in getting their produce with all the frills of crinoline, lace and cellophane. He added, however,, "--our laboring friends -- with the healthy appetites -- are interested more in food, how much food, and what quality they get for their money" He suggested that the fresh fruit package not hide the identity or quantity of its contents "unless producers and distributors of fresh fruits and vegetables wish to lose business to the canner and frozen food trade."

Weights and Measures in Packages

L. C. Carey of the Bureau of Agricultural Economics detailed the relationship of package standardization to weights and measures. As early as 1921 a State committee consisting of the Commissioner of Labor and Industries, the Director of Standards, the Commissioner of Agriculture, and the Director of the Division of Markets, recognized the existence, importance, and indispensibility of containers and of establishing standards for them within the framework of their weights and measures laws and regulations. "It seems clear," Mr. Carey said, "that standard containers and weights and measures are natural complements of each other."

He outlined the Federal requirements as to packaging and marking, and commented upon the wide diversity of State legislation dealing with packaging, weights and measures. He pointed out that the increasing acceptance of standardization as the logical and necessary "next step" must be on a national basis to permit "free and unrestricted intercourse between the States as far as weights and measures regulations are concerned."

In answer to a question, Mr. Carey said, "It should be understood that in the view of the Bureau of Agricultural Economics the standardization of containers for fruits and vegetables cannot and should not be predicated solely on volume, but rather on the three most common methods of selling fruits and vegetables --- namely, by weight, numerical count, and by volume or measure. Containers for fruits and vegetables sold by weight or count are in a category entirely separate and distinct from those used for products sold by volume or measure, and must necessarily reflect varying varietal and regional characteristics of the produce."

With respect to the method of determining the capacity of crates and boxes Mr. Carey pointed out that the Bureau of Agricultural Economics follows a standardized procedure -- one that is easily applied.

Leo V. Card of Michigan led the round-table discussion dealing with packages and matters relating to weights and measures. Mr. Card also outlined the operation of Michigan potato grading laws and answered many questions as to the extent to which the rigid enforcement of marking and seizure provisions are benefiting the industry.

Developments in Poultry and Egg Marketing

S. B. Shaw of the Maryland Department of Markets opened the discussion of changes in the marketing of poultry products by discussing the trend in retail selling. "Quick freezing," said Mr. Shaw, "has influenced to a great extent the methods employed in handling dressed poultry. In a number of States, producers organizations have found it profitable to grade and advertise their native turkeys -- and similar improvements have developed within the various branches of poultry products marketing."

E. B. Heaton of the Institute of American Poultry Industries reviewed developments in dressing at country points by pointing to improved methods of dressing and handling which now permit dressers to supply a product with "appetite appeal". "Poultry deserves just as much protective treatment as meats or any other food product," Mr. Heaton said. "Efforts of those forestering improvement have turned toward supplying a cleaner product, and it was to effect this that improved feeding methods and wax dressing of poultry have expanded." He pointed out that the industry has made rapid progress toward perfecting mechanical equipment for handling poultry products in dressing and packing plants, and that quick freezing now freezes "freshness" into poultry as it is frozen into fresh fruits and vegetables.

In commenting upon the future of quick freezing, Heaton remarked that "consumers are gradually being convinced that freshness can be frozen into a food product. As I see it, quick freezing of poultry will expand just as rapidly as those who cater to the consumer are in themselves sold on its merits as a superior food product." He warned that the greatest difficulty confronting the industry lies within the ranks of those handling poultry from the packing house to the consumer, with the greatest obstacle in the wholesale and retail channels of trade.

Grades For Live Poultry

Leon Todd of the New Jersey Department of Agriculture outlined the grades of live poultry at the New Jersey live poultry auctions with particular reference to the development of auction operations and administration of the grading services in his State. Mr. Todd's remarks enumerated some of the difficulties encountered on auction markets due to lack of proper grading by some producers, varying supplies from sale to sale, and handling of poultry.

Ray C. Wiseman, Supervisor of the Federal-State egg and poultry grading work in Ohio, discussed developments and operation of the services in Ohio producing areas. According to Mr. Wiseman, Ohio has the only two poultry auctions in the United States where the U. S. Grades for live poultry are being used. "The managers of the two organizations using the service in Ohio," he said, "will tell you that Government grading of poultry has been a big factor in encouraging producers to produce high quality poultry. They have obtained a higher class of buyers and higher prices than could have been received without combining the official grading services with the rest of the program of production and marketing." The speaker recommended and predicted that the U. S. Standards eventually would be used in all States. "We believe," he said, "that uniformity in standards is just as important as uniformity in weights and measures."

Benjamin P. Storrs, Director of the Connecticut Bureau of Markets, advised the gathering that many Eastern poultrymen foresee a possibility, if not a probability, that the present strong consumer preference for locally killed fresh poultry, and the resulting premium price advantage, may be lost. "This loss of consumer preference for freshly killed poultry may come," he said, "if and when fully drawn, consumer packed, frozen stock from Middle Western dressing plants is available in ample supply and at low enough prices to make it attractive to the large Eastern consuming population."

World Poultry Congress

Sidney A. Edwards, Managing Director of the Seventh World's Poultry Congress and Exposition to be held in Cleveland in July and August of 1939.

reviewed for the marketing officials, both plans and progress toward this major poultry event. He advised that support from the various agencies and countries cooperating in the Congress has been in every way gratifying. Following the discussions, Mr. Edwards conducted the officials on a tour of inspection of the Exposition grounds and buildings. "The Congress and Exposition," he said, "is to embrace the interests of every division of the allied poultry industries from the producer through the marketing of the finished product of the dealer and processor."

Tour of Northern Ohio Food Terminal

Starting at an early hour on the first day of the business session visiting marketing officials and guests of the Association were conducted through the Northern Ohio Food Terminal. The tour of the Terminal, during trading hours, afforded the visitors an opportunity of seeing the Terminal in operation during the late portion of the buying hours. Russell Swiler, Terminal Manager, conducted the marketing officials through the various parts of the Terminal, explaining its operations, financing, cooperation with all factors interested in the Terminal, and other details. This trip afforded the Terminal's guests an opportunity of inspecting and noting major details of operation of a centralized product market. In its report on the wholesale fruit and vegetable markets of 40 cities, the Bureau of Agricultural Economics points to the Cleveland Terminal as an example of a well organized and operated terminal market.

Canadian Visitors Attend Sessions

Canadian marketing officials present at the Cleveland meetings were: Col. R. L. Wheeler, Associate Director of Marketing Service, in charge of the Fruit Division for the Dominion; Carl B. Conger, Chief of inspection and grading services in the Fruit Division; and P. E. Light, Chief of marketing and merchandising services in the Livestock and Livestock Products Division. Col. Wheeler advised the marketing officials that Canadian producers were following marketing developments in the United States very closely because they are attempting to develop improvements in marketing so as to coordinate with development in the United States. "We follow the United States Standards," Col. Wheeler said, "because we use them in grading produce from our Canadian farms and orchards."

New Officers

S. B. Shaw of the Maryland State Department of Markets was elected President of the National Association of Marketing Officials, for the ensuing year. C. M. White of the Maine Department of Agriculture, Division of Markets, was elected Vice-President. Warren W. Oley of the New Jersey Bureau of Markets was re-elected as Secretary-Treasurer. In addition to the election of officers for the coming year, the assembly elected unanimously, L. M. Rhodes, Florida Marketing Commissioner, as Honorary President for life. The Twenty-first Annual Convention of the Association will be held at Miami, Florida, in 1939.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
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NEW YORK LABELING

LAW GOES INTO EFFECT

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Commissioner Holton V. Noyes of the New York Department of Agriculture and Markets recently announced that the new State law, providing for the State labeling of farm products, has been put into effect. The Department has designed an Empire State brand for use on graded and inspected potatoes, apples, and onions. Later, the brand will cover other products.

The Commissioner reported the results of an experiment with the Empire State trade-mark label at the State Fair at Syracuse last fall. Thousands of bushels of apples and potatoes were inspected, graded and packed in accordance with regulations for the Empire State label. This experiment, he said, "convinced us that consumers will buy farm products of quality if the product is as represented."

The label has as the central theme the words "Empire State" over an outline map of the State with a deep bar of red at each end. It reads: "This package contains a graded New York State farm product, Empire State, qualified by official inspection to carry this trade-mark, New York State Department of Agriculture and Markets."

Each producer or packer using the trade-mark is assigned a permit number which will appear on every package. Under the law, money received from the sale of the labels is to be used for publicity and advertising in promotion of New York State farm products.

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CALIFORNIA SEEKS LOW-COST

SUGAR BEET PRODUCTION

The University of California recently announced that abandonment of European cropping practices and the scientific development of methods better adapted to the conditions prevailing in the United States have made it possible for growers to reduce the cost of sugar beet production. Developments in experiments of the Truck Crops Division were reported. It is stated that "it is now possible under certain conditions to eliminate the cost of plowing, and to reduce the number of irrigations necessary to maintain yield and sugar content of the beets. Improvements in methods of blocking and thinning beets and in the development of sugar beet harvesting equipment were also cited.

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NEW JERSEY AUCTIONS

INCREASE BUSINESS

Sales on the egg and poultry and produce auction in markets in

New Jersey have continued to show a steady annual increase in sales volume since their organization, it was reported this week by Warren W. Oley, Chief of the New Jersey Bureau of Markets.

When first established in 1928, the value of fruit and vegetable sales totaled about \$275,000; in 1938 the value totaled more than \$2,543,000. Egg and poultry auctions, begun in 1930, showed a total value of sales amounting to \$243,000 at the end of the first year's business. This year, the total was more than \$3,656,000.

Fruit and vegetable auctions are at Swedesboro, Beverly, Cedarville, Glassboro, Hammonton, Hightstown, Landisville, Malaga-Newfield, Rosenhayn and Vineland. Egg and poultry auction markets are at Flemington, Hightstown, Mount Holly, Paterson and Vineland.

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FARM PRODUCTS PRICE

INDEX DOWN 1 POINT

A decline of 1 point in the index of prices of farm products during the month ended November 15 was reported this week by the Bureau of Agricultural Economics. The mid-November index was 94 percent of pre-war compared with 95 in mid-October, and with 107 in November of last year. Lower prices received by farmers for truck crops and tobacco largely accounted for the 1-point decline during the last month of record.

The Bureau also announced an increase in its estimate of cash farm income in 1938. Income from farm products marketed this year and from Government payments is expected to total about \$7,625,000,000. This compared with \$8,600,000,000 in 1937, and with \$4,328,000,000 in 1932. Last summer the Bureau estimated the 1938 cash income at \$7,500,000,000. The estimate has been increased, due largely to the marked increase in industrial activity and in incomes of industrial workers in recent months. The improvement has been reflected chiefly in income from meat animals and from dairy and poultry products.

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ILLINOIS HAS BIG

STORAGE LOCKER SPACE

The Illinois Extension Service recently announced that approximately 7,441,500 pounds of frozen meats or the equivalent of the meat from 60,000 hogs can be stored in cold storage locker plants now in operation or to be completed soon, in Illinois. There are 62 locker plants operating in the State, 21 additional plants have been definitely planned or are under construction, and 19 more are being considered. Plants now operating serve farmers in 35 counties. Sixteen of the plants are cooperatively owned and operated, the remainder are operated as private industries.

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CONNECTICUT FACED WITH

VEGETABLE MARKETING PROBLEMS

The Connecticut Department of Agriculture recently stated that "with more than a 200 percent increase in vegetable acreage in Connecticut during the last 15 years, growers are facing a serious problem as to how

to dispose of their products at a profit. This situation is expected to become more acute," the Department added, "due to the hurricane which leveled hundreds of tobacco barns and thousands of shore cottages. More vegetables may be produced on what was formerly tobacco land and it is expected that from 3 to 5 years will elapse before the normal summer shore market is returned."

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IOWA SEES BENEFITS FROM BRITISH TRADE TREATY

The Iowa Extension Service said this week that "the trade agreement with Great Britain will do more to dynamite the log jam of international trade than all of the rest of the 20 trade agreements combined. In addition, it contains specific concessions on some Iowa farm products which increase possible outlets more than any of the other trade agreements."

Specific concessions which the Iowa economists expect to benefit Iowa farmers include the removal of the British tariff on lard, and an increased quota of pork.

The Illinois Extension Service also saw "direct benefits to Illinois farmers in the recent trade agreements which have been negotiated with foreign countries."

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DISTRIBUTION OF LOUISIANA STRAWBERRIES

The Bureau of Agricultural Economics recently issued a 42-page publication covering the market distribution and price spreads of Louisiana strawberries. In a summary it is pointed out that about one-fifth of the Louisiana crop is marketed in Chicago, and that chain stores there handle between 10 and 15 percent of the city's unloads. Reports from the important markets of the country showed that 22 percent of the Louisiana strawberries unloaded in these markets in 1938 was redistributed to outside points, largely through trucks. This redistribution takes place in zones as much as 200 miles from the larger markets, and it is from this source that many of the small towns and cities secure supplies of berries. The auction price of Louisiana berries this season was higher than in the previous year, but the total income to growers was less because of the reduced carlot shipments.

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INCREASE IN FARM REAL ESTATE TAXES REPORTED

Farm real estate tax levies per acre again showed an increase in 1937, and the results of a preliminary survey indicate a continuation of this upward trend through 1938, it was reported this week by the Bureau of Agricultural Economics. The index for the United States, on a 1913 base, stood at 171 percent in 1937, compared with a peak of 241 percent in 1929 and a low of 153 in 1934. Taxes per \$100 of farm real estate values rose in 1937 because land values continued on the same level as during the previous year. They averaged \$1.15 in 1937, compared with \$1.13 in 1936, and a high of \$1.50 in 1932.

NORTH CAROLINA LISTSMARKETING AIDS TO FARMERS

Commissioner W. Kerr Scott of the North Carolina Department of Agriculture recently reported that the department "has been revitalized" during the past two years. Discussing activities of the Bureau of Markets he said: "A Federal-State market news service has been added, providing growers with last-minute information on agricultural price trends and conditions to enable them to more intelligently market their commodities. A tobacco marketing specialist, first employed in the Department's history, is now promoting proper grading, sorting and tying practices as a means of increasing the farmer's income. A livestock marketing specialist has been employed in an effort to assist livestock men in climbing above thirty-eighth place in farm cash income from livestock. Egg grading and certification work was inaugurated last year."

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RISE IN ILLINOISLAND VALUES CITED

Illinois farm land values are about-one-third higher than in 1933, and might be expected to show an additional increase if costs remain normal and 1939 marketings equal in value those of 1937, according to C. L. Stewart, Illinois College of Agriculture. Stewart added that the increase for the Nation has been only about one-sixth above the 1933 values. His statement is based upon a detailed study which is reported in the current issue of Illinois Farm Economics. Copies are obtainable from the Illinois College of Agriculture, Urbana.

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IN BRIEF

OFFICIAL STANDARDS for Quality of Creamery Butter, promulgated November 3, and effective April 1 next, have been issued by the Bureau of Agricultural Economics.

BAE recently reported that more than 37.5 billion eggs were produced on farms in the United States in 1937, compared with about 34 billion in 1936 and with the 1926-35 ten-year average of about 37 billion. About 584 million chickens were produced in 1937, compared with 703 million in 1936, and with the ten-year average of 665 million.

"AMERICAN WOODEN BOXES AND CRATES" is the title of a new bulletin obtainable from the United States Department of Commerce. About half of the publication deals with the wooden box in agriculture, in the packaging of citrus and deciduous fruits, grapes, melons, and vegetables.

A SIMPLE, QUICK, and inexpensive test for canning quality in peas was recently devised by S. L. Jodidi, in the United States Bureau of Plant Industry, based upon the long known fact that the specific gravity of canning peas increases as they ripen, that young peas are lightest and sweetest, and older peas are heavier with more starch and less sugar. Specifications are obtainable from Mr. Jodidi.

"MARKETING FRUITS AND VEGETABLES COOPERATIVELY" is the title of a bulletin obtainable from the Farm Credit Administration.

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MARKETING ACTIVITIES**AND OTHER ECONOMIC WORK**

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 14, 1938

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★ Vol. 18, Nos. 49 and 50

COMMISSIONER NOYES AGAINST
INTERSTATE TRADE BARRIERS

A plea for removal of trade barriers between the States was made by Commissioner Holton V. Noyes of the New York State Department of Agriculture and Markets addressing the Association of Ice Cream Manufacturers of New York State at Buffalo, December 7. He said "we should substitute cooperation and a cooperative attitude for the walls which have been erected and the retaliatory attitude which we have assumed. We should realize that we have an interdependent relationship with every other State which best can be served by encouraging and promoting the free movement and exchange of products. Legislative enactments whose primary purpose is to bar the products of other States should be repealed outright. Inspectional barriers should be reduced to the purpose for which they are intended."

The Commissioner cited a number of examples of interstate trade barriers. "Only last September," he said, "we read that the Ohio State Board of Agriculture was picketing highways from Indiana and inspecting fruits and vegetables grown within that State for the purpose of protecting the citizens of Ohio from 'inferior' products. At the frontiers of other States, ports of entry have been established such as exist between the countries of Europe. Idaho, Nebraska, Montana and New Mexico have gone to this extreme and through inspection exercise authority to accept or reject the products of other States. California and Arizona search every motor car, bus or truck entering their borders to keep out so-called infected fruit which might injure native fruit. Kansas and Oklahoma impose excessive taxes on out-of-State trucks and gasoline to protect native truckers and gasoline producers and dealers. Other States, including New York, have established legal requirements which while not so drastic as these I have mentioned are, nevertheless, fully as effective in erecting barriers against the trade and commerce of other States.

"In nothing I have said," he continued, "do I intend to convey the idea that my own State is blameless. Restrictive and discriminatory laws have been placed upon our own statute books at the insistence of selfish interests, the same as they have in other States. We have undoubtedly been as anxious to protect and advance the interests of our own industries by the selfish and unwise policy of placing restrictions upon the industries of other States. I condemn the practice as heartily in my own State as I do in any other State. I am equally as insistent that it be corrected in my own State as in any other State."

IOWA STUDY SHOWS TRACTORS GAINING

The Iowa Extension Service declared this week that "the pointer on the 'balance scales' of farm power economy is steadily tipping toward the side of tractors and away from that of horses. In finding that tractors provided cheaper power than horses, Iowa State College economists, agricultural engineers and animal husbandrymen consulted the cost accounts of more than 1,700 Iowa farms."

The study revealed that "farmers did not save much money the first few years they owned tractors, because they carried two sets of equipment - both horse and tractor-drawn tools. But if a farmer had owned a general purpose tractor for 4 years or longer, he was saving an average of \$3 per crop acre more than his neighbor who was working horses. After 4 years of tractor ownership the farmers were better equipped and became more expert in handling their tractor machinery.

"For horse farms the cost to produce an acre of corn amounted to \$15.04; for those using a general-purpose tractor 2 years or less, \$15.01, and on farms using a general-purpose tractor 4 years or more, \$12.17. Crop yields were about the same on both horse and tractor farms, although in some cases there was a trend toward higher yields on the tractor-operated farms."

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LOUISIANA WARNS AGAINST "PEDIGREED" COTTONSEED

The Louisiana Extension Service announced recently that "most of the poor quality cottonseed in Louisiana is now being sold as 'pedigreed' at the expense of farmers. The use of the word 'pedigreed' is without value, when used for cottonseed."

Any cottonseed may be classed as "pedigreed", irrespective of how mixed it is, it was stated, just so long as it can be traced to the source of origin. The Extension Service explained that since the term has no meaning, "the State seed laws cannot control its use."

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OKLAHOMA COMMUNITIES SELL COTTON TO FOREIGN MILLS

The Oklahoma Extension Service reported this week that Greenfield and Lookeba communities in Blaine and Caddo Counties, selected as demonstrations to show the value of growing standard varieties of cotton, this year sold more than 2,200 bales to foreign mills. Farmers cooperating in the program pick their cotton and deliver their clean, dry cotton to the gin. A Bureau of Agricultural Economics classifier at the gin classifies the cotton from press box samples. To prevent cutting of the baggin after the bales are ginned, all bales are wrapped in white bagging made from cotton. Many of the farmers have stated this is the first time they have been able to prepare a superior quality cotton bale and to receive full market value for it at the gin. The demonstration is one of a group of cooperative experiments in Oklahoma, Texas and Mississippi to improve the marketing of cotton.

NORTHWEST CANNED GOODS
INSPECTIONS INCREASED

The Bureau of Agricultural Economics recently announced that additional personnel to handle the increasing volume of inspections of canned fruits and vegetables in Oregon and Southern Washington counties would be provided at the Bureau's Portland office, effective December 12. Canneries in the Oregon-Washington territory, it was stated, would thus be enabled to obtain prompt service on samples supplied to the Portland office for official grading. A limited amount of grading service also is being supplied at canning plants in the area served from Portland. The Portland office is in the charge of John E. Dodds, formerly associated with commercial canning interests in Oregon.

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NEW JERSEY SEES NEED
FOR CONSUMER GRADES

Secretary Willard H. Allen of the New Jersey Department of Agriculture told the New Jersey Horticultural Society in recent annual meeting that "we need to study carefully our market needs and perhaps it will be necessary to include in our grading program provision for packages and standards which can be recognized by consumers. At present most of our grade designations are of little aid to housewives in making their purchases, because they are used only on wholesale package units which seldom are seen by the consumer."

Secretary Allen also urged growers "to act favorably on proposals for promoting the consumption of Garden State farm products and to consider such expenditures for advertising as an investment." He said that "competition has become keener each year as organized producers in other States have directed well financed campaigns in our home market. Consequently, our advantage of location has been rapidly overcome. On the other hand, we find that local distributors and consumers continue to express a preference for home-grown Jersey products provided they are graded and attractively packaged."

The "success of poultrymen in promoting the sale of New Jersey certified fresh eggs" was cited as an example of results of organized promotion campaigns.

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AGRICULTURAL COMMISSIONS
ELECT NEW ASSOCIATION OFFICERS

Commissioner Jewell Myers of the Missouri Department of Agriculture reported this week the following officers elected at the 1938 annual meeting of the National Association of Commissioners, Secretaries and Directors of Agriculture:

Nathan Mayo, President, Tallahassee, Florida; Olcott F. King, Vice-President, Hartford, Conn.; Jewell Mayes, Secretary-Treasurer, Jefferson City, Mo. Other Vice-Presidents are: W. C. Sweinhart (Colo.) Louis Buchholz (Nebr.); W. Kerr Scott (N.C.); W. H. Allen (N. J.).

IMPROVED CONSUMER DEMAND
FOR FARM PRODUCTS REPORTED

Improvement in consumer demand for farm products was reported this week by the Bureau of Agricultural Economics. Basis for the improvement was said to be the rise in industrial activity and in consumer purchasing power in recent months. The Bureau added "it is probable that there will be continued improvement in consumer demand during the next few months even if there is no additional increase in industrial activity."

Farmers were reported as getting higher prices for grains, fruits, potatoes, truck crops and dairy products during the past month, compared with a month earlier, but lower prices for cotton, tobacco, hogs, and some other products. Declines about offset the gains in the Bureau's farm price index, which was tentatively estimated at 94 percent of pre-war in mid-December. The index for December 1937 was 104.

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BUREAU STUDYING CHANGES
IN MARKETING SYSTEM

"Changes of far-reaching effect upon farmers have been made in the marketing system in recent years," it is stated in the 1938 annual report of the Bureau of Agricultural Economics. "New ways of preparing and processing foods have been developed, the chain of distribution from farm to home has been shortened by the elimination of some unnecessary links, public agencies have begun to attack the problem of waste and high cost of handling food in metropolitan markets.

"Outstanding has been the increasing use of the motortruck in transporting fresh products direct from farm to market, eliminating re-handling en route, and reducing costs of distribution. Concentration motortruck markets have been developed in some regions, functioning as diversion points where products are assembled and redistributed over wide areas. Large city markets now receive about half their supply of fresh fruits and vegetables by motortruck."

Attention is called to the increasing public interest in economic problems raised by the growth of large-scale processors and distributors handling agricultural products. Two reports have been published by the Bureau on this subject: the marketing of fruits and vegetables by the chain stores in the Northeastern States, and the growth of food corporations and the trend of earnings of such corporations.

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RECENT MIMEOGRAPHED PUBLICATIONS obtainable from the Bureau of Agricultural Economics include: "Retail Sales Campaigns for Farm Products", by A. C. Hoffman; "Milk Equivalent of Production of Manufactured Dairy Products by States, 1937"; "The Trade Agreements Program and American Agriculture", an address by D. F. Christy; "Changes in European Agriculture and Their Effect on American Farmers", by D. F. Christy; "Synopsis of Federal and State Laws relating to Legal or Standard Weights Per Bushel and the Sale of Fruits and Vegetables."

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STATE AND FEDERAL MARKETING ACTIVITIES

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Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 28, 1938

Vol. 18, Nos. 51 and 52

PROGRAM OF REORGANIZED BUREAU OF AGRICULTURAL ECONOMICS OUTLINED

Three basic concepts of the work of the recently reorganized Bureau of Agricultural Economics were outlined by H. R. Tolley, Chief of the Bureau, addressing the American Farm Economics Association at Detroit, December 28.

"First, the Bureau is expected to continue its work in the field of fundamental research. For the most part, this is the field of the divisions which established the reputation of the old Bureau in research and which have contributed so much to the current agricultural program. This work will go on, although it will of course be necessary to continue to direct a good portion of it more specifically toward immediate planning and operating problems than in the past.

"Second, the Bureau is expected to collaborate with the federal and state extension services and the State agricultural colleges to the end that the farmers themselves will participate in the development of plans and suggestions within the agricultural field. This is a new function, although it has been foreshadowed by the insistence of the Department on local administration of action programs, especially the agricultural adjustment and conservation programs, and by the County Planning Project which the Extension Service and the Agricultural Adjustment Administration started in 1935.***Similarly, we hope for the active participation and cooperation of those who specialize in the biologic and physical sciences.

"Third, the Bureau is expected to assume the responsibility for developing, in close cooperation with the colleges and with other bureaus and agencies in the Department, an integrated and continuing national agricultural program. This means that the job of over-all planning must be approached from three different points of view: that of the farmer, the researcher, and the administrator, in order to arrive at a well-balanced and workable program. This involves the observation of the several action programs in the field and an honest appraisal of both their shortcomings and accomplishments; the synthesis of our great mass of research data relating to factors affecting prices, to farm management and desirable patterns of land utilization, and to the normal or current market requirements for each of the several agricultural commodities; and an understanding of what farmers want, of the reasons behind their requests, and of the cost of sacrifices which they are willing to incur in order to reach the desired end.

"Two of these three functions of the Bureau - namely, the encouraging of direct farmer participation in the planning process, and the synthesizing of research results, farmers' suggestions, and admin-

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istrative experience into the form of agricultural plans and programs - are essentially new functions so far as the Bureau is concerned. As a result, we expect to realign the work within the Program Planning Division as well as within the old Divisions of the Bureau in such a manner as to give special emphasis to State and county planning on the one hand, and to the development of an integrated approach to production, marketing, and land-use adjustment planning and program development on the other, in order that the Bureau may assume its proper place in the Department."

Copies of the complete address are obtainable from the Bureau of Agricultural Economics, Washington, D. C.

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LOUISIANA URGES UNRESTRICTED TRADE BETWEEN STATES

Discussing the increasing problem of interstate trade barriers, the New Orleans Association of Commerce issued the following statement this week:

"Vegetable growers of south Louisiana are being helped in marketing their products through the distribution of vegetables by trucks which operate in the surrounding states. Each week dozens of these trucks come to the French Market in New Orleans and buy truckloads of vegetables from the farmers who bring their produce to the market. These trucks then distribute the vegetables to small consuming centers in surrounding states, some of the trucks going to places as far as 500 miles away from New Orleans.

"Farmers would have considerable difficulty in disposing of all they produce in excess of the requirements of New Orleans consumers if these trucks did not come here to buy. Because these trucks operate between the various states and in so doing greatly aid our Louisiana farmers, there should be no state line barriers for the free interchange of farm products. Any attempt to stifle the movement of farm products into or out of Louisiana, through the means of state line barriers, will react unfavorably on Louisiana farmers."

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NEW JERSEY TURKEY GROWERS PROFIT; WILL PRODUCE MORE

The New Jersey Department of Agriculture reported this week that "many (turkey) producers were forced to decline wholesale and retail orders for the Christmas holidays as a result of the brisk sales, but are planning to grow larger flocks for the 1939 season.

"The use of identification tags for the first time by members of the State Turkey Growers' Association, which includes practically all of the larger growers, was responsible, to a large extent, for the unusual volume of holiday sales. The program to further assure the consumer of identity and quality in his purchase will be developed in greater detail during the coming year."

The special protective tags used were fastened by a small wire which had been sealed by the grower. The tag stated that the bird was grown locally and was guaranteed by the producer. The New Jersey Turkey Growers' Association will hold its annual meeting, at Trenton, January 27, when selling problems will be discussed.

MARKETING ACTIVITIES DESCRIBED
IN CONNECTICUT BIENNIAL REPORT

The Connecticut Commissioner of Agriculture, Olcott F. King, has issued his biennial report for the period July 1, 1936 to June 30, 1938. Many lines of marketing activities are listed: collecting market quotations on principal agricultural products in Hartford, New Haven, Bridgeport, Waterbury, Norwich and New London; printing the "Connecticut Market Bulletin" containing current prices on approximately 50 commodities in 6 cities; approving all orders for boxes, bags, tags, and labels which are purchased cooperatively to be used in connection with certain grades of agricultural products; preparing grade specifications and providing inspection service for farm products for the State Supervisor of Purchases; enforcing the Connecticut Seed Law and Connecticut seed grades, the Act concerning the Sale of Potatoes, the Act concerning the Protection of Grades for Farm Products, the Act concerning Culls, the Law concerning Grading of Apples, the Connecticut Fresh Egg Law and Egg Sizing Law through retail store inspections, and the Connecticut turkey grades.

Copies of the report are obtainable from the Connecticut Department of Agriculture, Hartford, Conn.

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WISCONSIN REPORTS ON
CONSUMER'S MILK DOLLAR

The Wisconsin Experiment Station recently reported the results of a study of milk distribution costs. The records of 13 Wisconsin dairy firms were studied, covering the years 1927-36 inclusive. The proportion (of the consumer's dollar) going to farmers was reported at 56 cents - "somewhat higher than most producers suppose they receive." Salaries of officials, managers, and foremen accounted for 5.3 cents of each dollar paid for milk. A rather large item of expense - 3.6 cents - was for depreciation on the dairy plant and equipment. "Profits averaged 1.9 cents per consumer's dollar in the 13 companies for a 10-year period."

"Hard facts revealed in this study do not furnish much ground for optimism," it was stated, "on the part of those who hope the distribution costs of milk can be reduced under the present system. Reduction of milk distribution costs will have to be brought about by an attack upon those phases of the operation which might permit noticeable savings. Important savings are possible by: (1) a reduction of duplication in resale delivery routes and a lessening of the amount of special delivery service to consumers; (2) by adjusting the total milk plant capacity to fit requirements of the market so as to bring about high efficiency of plant operation and low total capital investment in plant and equipment; and (3) by reducing the amount of such items of bad debts, bottle losses, and the cost of collecting accounts."

Copies of the report are obtainable from the Wisconsin Experiment Station, Madison, Wisc.

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A REPORT "Present Status of State Legislation in the United States as it Relates to the Standardization of Fresh Fruits and Vegetables" is obtainable from the Bureau of Agricultural Economics.

NEW YORK STUDIESCOMMERCIAL POULTRY FARMS

The New York Extension Service recently stated that "an average number of 1,500 or more birds to the farm is suggested in an efficiency program for New York State commercial poultry farms by farm management specialists of the State College of Agriculture. This means, they say, the housing of more than 1,800 layers in the fall."

Other points in the program are: an annual egg production of more than 18,000 dozens; a combination of chicks and pullets to sell, with market egg production; and as little capital as necessary to provide a favorable size of business. Usually \$10,000 or more is required, it was stated.

Rates of production include "more than 150 eggs to the hen; more than 25 percent production during October through December; a successful hatch of more than three-fifths of the eggs incubated; successful rearing of more than four-fifths of the original number of chicks; and the value of eggs to more than double the feed costs of the laying flock."

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MINNESOTA REPORTS ONSELLING PRICES OF FARMS

The downward trend in the sale price of Minnesota farmland was checked by 1935 in all but two sections of the State, according to a new publication of the Minnesota Agricultural Experiment Station. The author is Dr. A. A. Dowell of the agricultural economics staff. He says that "in the two northern districts of the state the trend in farm real estate sale prices has been upward since 1932-33, and in the two southern districts since 1934-35. In the two central sections, which had suffered severely from drought, the downward trend continued through 1936-37."

Copies of the bulletin, No. 338, are obtainable from the Bulletin Office, University Farm, St. Paul, Minn.

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ILLINOIS REPORTS ONMILK PRICES, CONSUMPTION

The Illinois Extension Service issued two mimeographed reports this week entitled "Why Farm Prices of Milk Change", and "Increasing the Consumption of Milk". They are reprinted from the Dairy Manufacturers Short Course Manual, November 15-18, 1938. Farm prices of milk change, it is stated, because prices of milk in all uses are closely related to butter prices, changes in consumers' incomes cause changes in butter prices, condensery prices closely follow changes in butter prices, market milk prices follow condensery prices. Premiums for market milk above condensery prices are based largely upon extra costs of meeting requirements for quality and for even production." Discussing the consumption of milk, it is stated that "studies of retail prices (adjusted for changes in consumers' income) in 51 cities and changes in per capita consumption of milk in the United States from 1930 to 1936 indicate that low milk prices increase milk consumption while high milk prices reduce consumption."

Copies of the reports (the author is R. W. Bartlett) are obtainable from the Illinois Extension Service, Urbana, Ill.

FARM PRODUCTS PRICES UP
TWO POINTS AT YEAR'S END

A gain of 2 points in the index of farm products prices during the month ended December 15 raised the index to the highest figure since last March. The Bureau of Agricultural Economics reported the December index at 96 percent of pre-war. The index, however, was 8 points less than in mid-December 1937.

During the last month of record, there were gains in the group price indexes for truck crops, grains, fruits and dairy products. These increases more than offset minor declines in prices of eggs, cotton, hogs, calves and a few other items. The December 15 cotton and cottonseed price index, although only 70 percent of pre-war, was 6 points higher than on the same date a year earlier.

The general level of prices paid by farmers in mid-December was estimated at 120 percent of pre-war, compared with 121 in mid-November, and with 126 in mid-December a year earlier. The per unit exchange value of farm products in December stood at 80 percent of pre-war.

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MINNESOTA STUDIES
CREAMERY OPERATION

Reporting the results of a study of 9 cooperative creameries in Watonwan County, Minnesota, it was stated this week by the Minnesota Extension Service that "creameries with large volume of output have the advantage over those with small volume in smaller operating costs and higher returns to farmer patrons."

The average production of manufactured butter in the 9 plants, in 1937, was 245,733 pounds; with the highest, 559,848 pounds, and the lowest 142,004 pounds. Total operating cost per pound of butter manufactured varied in direct relation to production - the plant with the largest volume had the smallest cost per pound, while the smaller plants had larger costs. The range in operating cost per pound was from a little over 2 cents to nearly 5 cents, with the average a trifle above 3 cents.

The average net return per pound of butterfat to the farmer ranged from 35 cents for the creamery with the lowest efficiency, to 39 cents for the creamery with the highest efficiency. Here again, the Service says, there was a close relationship between large volume and efficiency.

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PENNSYLVANIA SAYS MAPLE
PRODUCTS GREATLY IMPROVED

The Pennsylvania Department of Agriculture recently reported that emphasis will be placed on quality by the Maple Products Department of the Pennsylvania Farm Show at Harrisburg during the week of January 16.

"The technique of harvesting and processing maple syrup today has advanced so far," it was stated, "that many producers are turning out 90 percent of their yearly crop as 'first run' grade. This better quality is known as No. 1 or fancy syrup."

INCREASE IN FARMER
PRODUCTION CREDIT REPORTED

The Farm Credit Administration reported this week that the 535 production credit associations which serve every agricultural county in the country, made approximately 240,000 loans during 1938 for \$300,000,000, an amount about \$15,000,000 larger than the 1937 total. Interest on these short-term loans remained at 5 percent throughout the year.

The Administration said these associations have 263,000 members who have invested \$14,000,000 in voting stock in their associations. More than 20,000 additional persons, most of them former borrowers, hold non-voting stock amounting to \$300,000. Governor Hill of the Administration said that reserves in excess of \$11,000,000 have been set up by the associations as a protection to the investment of members in the associations. Losses and expected losses on the billion dollars loaned since 1933 amount to less than one-half of 1 percent of the total loaned.

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NEW YORK REPORTS CHANGING
COSTS IN DAIRY FARMING

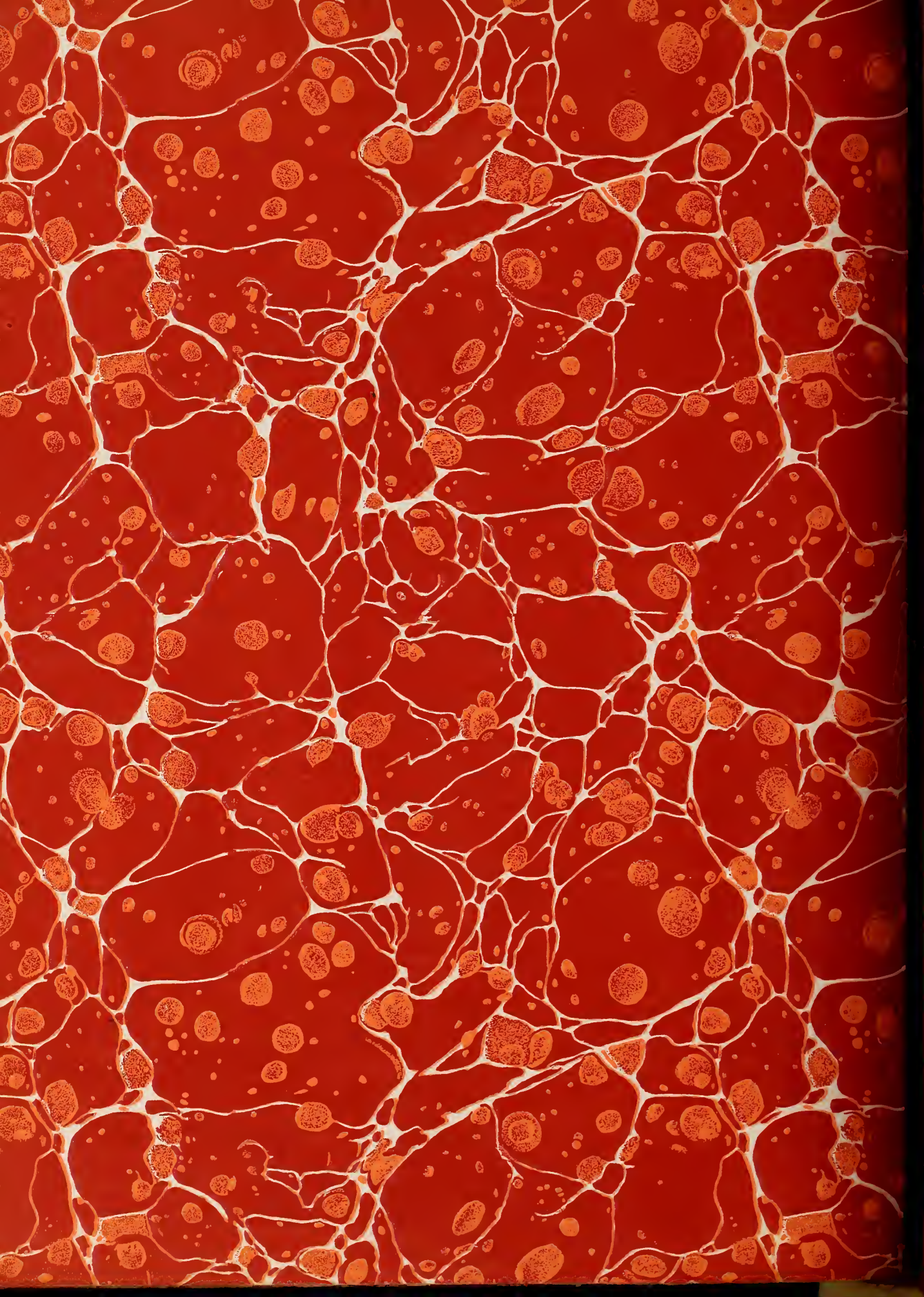
Some long-time shifts have taken place in costs in dairy farming, according to L. C. Cunningham of the New York State College of Agriculture. Costs of hay, commercial fertilizer, corn silage, and farmland have become lower in terms of the quantity of milk required to buy them, he says. Costs of farm wages, machinery, building materials, taxes, fire insurance, legume seeds, and dairy cows have increased.

"The long-time upward trend in farm wages in terms of milk is the most significant change that has taken place in the cost of operating dairy farms," he says. "During the past three-quarters of a century, the quantity of milk required to pay a month's wages on New York farms has almost doubled. In recent years, about a third more milk was required to buy a given quantity of farm machinery than in the pre-war period 1910-14."

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THE BUREAU OF AGRICULTURAL ECONOMICS said this week that "world wheat supplies for the 1938-39 crop year will be the largest on record if the Argentine crop - now being harvested - turns out as indicated." World wheat production was indicated by the Bureau at about 4,448,000,000 bushels, exclusive of the crops in Soviet Russia and China. This is about 630,000,000 bushels more than in the preceding year.

FEED GRAIN AND HAY SUPPLIES for the winter and spring feeding season are the largest in recent years in relation to the number of livestock on farms, the Bureau said. Following the 1938 harvests, feed grain prices declined to the lowest levels since 1932 and 1933. During recent weeks prices have strengthened some, especially corn prices. The Bureau attributed this improvement to the corn loan program and the more satisfactory demand situation, but pointed out that the loan rate on corn still is above the average price received by farmers.



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